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INDIANA GAMING COMMISSION

MAY 7, 1996

PRESENTATION BY HARRISON COUNTY GAMING CO.

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MR. KLINEMAN: I guess we do have to move to the first row for the Harrison County presentation because the monitors apparently are hooked up to a different presenter. So we'll call the Meeting to Order. All the Commissioners are now present. And with that the Commission will move to the front row and we'll ask that the Harrison County presentation will be made then for, I hope, a half hour and then we'll have some questions for you.

JUDY HESS: My name is Judy Hess. Welcome to Harrison County. I'm a long time Harrison County resident and I've been involved with the effort to bring riverboat gaming here from the beginning. I co-chaired the Riverboat

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Casino Task Force and I now am
the Chairwoman of the Riverboat
Evaluation Team. Among the gentle-
men to my right are three that
you'll be hearing from a little
later. Here at the end of the
table is Greg Albers. Greg serves
on the County Council and is a
member of the Riverboat Evaluation
Team. Next to Greg is Terry
Miller. Terry is a member of the
Evaluation Team and serves as the
President of the Harrison County
Commissioners and to Terry's
right is Steve Haggard. Also a
member of the Evaluation Team,
Steve is the President of the
Harrison County Council. We are
so pleased to have you here in
our community and grateful for
the opportunity to show you why

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Harrison County is the right place for a riverboat casino. In the next few minutes we will present to you what is great about Harrison County and what could be better. We will also explain our plans, should we be awarded a license, for investing tax revenues here and how we would share them with our neighbors. Let's begin by letting the people of Harrison County tell you about their community.

(Video is shown)

The people of Harrison County don't believe the State or the Gaming Commission riverboat, we do believe however the selection of Harrison County would provide the most benefits to the most people throughout southern Indiana.

1 (TERRY MILLER SPEAKING)

2 Driving across the Sherman
3 Minton Bridge, coming from Louis-
4 ville on I-64, behind me are
5 nearly a million people, the
6 largest metropolitan area in
7 Kentucky. Ten minutes later I'm
8 crossing the Harrison County line.
9 The fact is Harrison County is
10 very accessible to Louisville,
11 and that accessability will have
12 a big impact on the success of
13 riverboat gaming here in Indiana.

14 (PAM BENNETT SPEAKING)

15 There aren't many bridges
16 across the Ohio River but there's
17 one in Harrison County on State
18 Road 135 across from Brandenburg,
19 Kentucky. Only fifteen (15)
20 miles from Corydon, our County
21 Seat, and I-64, and as everyone

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knows with I-64 connection, we're close to St. Louis and Evansville to the west, and Louisville and Lexington to the east.

(TERRY MILLER SPEAKING)

Speaking of I-64, you know it connects to 265. And we're only a couple of hours from Indianapolis too.

(ART STEWART)

INDIANAPOLIS! Isn't that where they moved the Capitol? I always wondered if they hadn't moved the Capitol we might have ended up with that big car race. THE CORYDON 500! Wouldn't that have been something.

(SPEAKER UNKNOWN)

It's too bad we lost the Indy 500 but Harrison County has its own history. One of two Civil

1 War Battles fought on northern
2 soil happened right here July 9th,
3 1863. The local militia lost the
4 battle but we know who won the
5 war.

6 This Park is registered in
7 the National Register of Historic
8 Places and is part of the Harrison
9 County Parks Department. We try
10 to keep it open year round but
11 our money can only stretch so far.
12 Last year we had to lock the gate
13 for part of the year. One thing
14 we know for sure, if we had the
15 additional tax dollars from a
16 riverboat casino, we could invest
17 some of them in our county parks
18 department. Believe it or not
19 we have seven (7) county parks
20 including the 220-acre South
21 Harrison Park. Here's our Harrison

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Poolside Park. Buffalo Trace
Park. Walter Q. Gresham Memorial
Park. And our beautiful Hayswood
Nature Reserve where nature is
preserved for this and future
generations.

People come from all over
the State, from all over the
Country to visit Harrison County,
and we're proud to share our
heritage and beautiful outdoors
with them. We show you our parks
because we think it tells you a
lot about the people of Harrison
County.

If you want to know where a
county will invest its tax dollars
in the future, look to where they
have invested in the past.

Yes, this is Harrison County,
Indiana, population 32,000. We're

1 not rich but we're not poor;
2 we're not arrogant but we are
3 proud. We went to the polls and
4 voted yes for a riverboat casino,
5 not because we thought it would
6 make us rich, but because we be-
7 lieve it will make us better.
8 By better, we mean a better infra-
9 structure to support the increased
10 population that's spilling over
11 our county line from Louisville
12 and New Albany. Eight hundred
13 (800) new lots have been approved
14 for development. That means new
15 roads, more water, sewage, class-
16 rooms, teachers. The fact is
17 four thousand (4,000) of the
18 people who live here now commute
19 forty-five minutes or more to go
20 to work somewhere else. So when
21 we talk about making Harrison County

1 better, we're talking about a
2 stipulated economy which would
3 mean the people who live here
4 will have more choices, more jobs,
5 and more opportunities to open
6 businesses, all right here in
7 southern Indiana. We say "southern
8 Indiana" because we know if Harrison
9 County were to prosper so would
10 the adjacent counties. Just as
11 many of the people who live here
12 don't work here, a lot of the folks
13 who work here don't live here.
14 Of the thousands of new jobs
15 created through economic develop-
16 ment in Harrison County over the
17 past ten (10) years, fifty percent
18 of the workers live somewhere
19 else, mostly in neighboring counties.
20 It adds up to this: Harrison County
21 is a great place to live and work.

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We have a strong work force in place and we've proven we can meet the challenges of growth. All of these things we believe further enhance the prospect for success of riverboat gaming in Indiana.

Finally, we want you to know that we will invest new revenues in our future and in our past. We'll shore up our infrastructure and enhance our schools. We'll also preserve our history, our natural beauty, and our rural American values. We are a county whose people and elected leaders dared to dream. We dreamed that someday we'd be able to preserve all the things that make our little corner of the world special and share them with future generations. We dreamed that we could find a way to provide our young people with

1 a better education and more oppor-
2 tunities so they would stay here,
3 carry on our traditions. We don't
4 believe a riverboat casino is the
5 answer to everything. We still
6 have our feet on the ground. We
7 do believe that true long-term
8 answers for enriching the lives
9 of the people in Harrison County
10 can only come from within and
11 within Harrison County we believe
12 you'll find progressive, fair-
13 minded people with generous hearts
14 ready to preserve the past, invest
15 in the future, and share any new
16 prosperity with our neighbors.

17 (ART STEWART)

18 My idea is we widen Indian
19 Creek and change the name to some-
20 thing like "The Little Ohio" and
21 we bring that boat up here and park

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it right alongside the old State House. Of course, I reckon that's up to the Gaming Commission. Be sure to tell them that's my idea.

(APPLAUSE) (End of video)

GREG ALBERS: Good morning. I'm Greg Albers. With your visit here the long journey began more than two years ago is now near an end. Late in 1993 I introduced a docking ordinance necessary to place the riverboat on the May ballot. Following that at a joint meeting of the Council and the Commissioners on January the 8th, 1994, it was decided to select seven (7) citizens to form a task force to study the possibility of bringing riverboat gaming to Harrison County. Co-chaired by Judy Hess and Art Stewart, the

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Task Force quickly began the fact finding process. They visited a riverboat casino in the region and spent hours on the phone with business owners, mayors, chiefs of police and residents of communities where riverboat gaming currently exists. They wanted to find out for themselves whether casinos were a boom or a bane to these towns. They even toured Casino Aztar City of Evansville while it was under construction at Jeffboat in nearby Jeffersonville. An exhaustive public input process was initiated at a number of hearings where the Task Force recorded the comments and concerns of Harrison County residents. After months of study the Task Force reported to the Council and the Commissioners

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that the potential benefits to a community hosting a riverboat casino could be considerable. A referendum authorizing Harrison County to seek a license was placed on the ballot and approved by voters in May of 1994. Following the vote three (3) members of the Task Force formed the Riverboat Evaluation Team along with three (3) at large members of the County Council and the three (3) County Commissioners. Although the Evaluation Team had decided against recommending a particular developer to you, its mission was to obtain detailed commitments from each perspective developer, assuring us that their project would meet the following five major goals:

The selected developers project

should:

Promote long term economic
and industrial growth within the
area;

Directly or indirectly im-
prove county infrastructure and
public safety systems;

Provide an ongoing civic and
charitable assistance;

Hire and purchase locally;

And enhance learning and
training opportunities for the
people of Harrison County.

In public presentations to
the Evaluation Team last month each
company presented its plan for a
casino, including how they would
address the five major goals.

Binding legal agreements are current-
ly being negotiated with developers
to ensure fulfillment of promises

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made at that meeting. We have taken a lot of careful, thorough steps between January 8th, 1994 and today. But we did not walk alone. The citizens of this community stood up and made their voices clear. They said: "We want a riverboat in Harrison County and we want it done right." It has been an exhaustive process. Some may say too slow, too cautious, but that's the way we do things here. We have a solid history of responsible people, making informed decisions that affect the lives of everyone in the community. As the old saying goes: Anything worth having is worth working for. The people of this County have decided that a riverboat casino would benefit them and their neighbors and

1 they have worked long, hard and
2 responsibly to bring us before you
3 today. Thank you.
4

5 JUDY HESS: Thank you, Greg.
6 There are nearly one million people
7 in the metro Louisville area. Of
8 the seven counties that make up
9 that metro area, only Harrison
10 County has approved a referendum
11 to allow riverboat gamimng. Only
12 Harrison County. This is also one
13 of the fastest growing of the
14 seven counties. Addressing the
15 implications of this explosive
16 growth is Terry Miller. Terry.

17 TERRY MILLER: Thank you,
18 Judy. Judy is right. Harrison
19 County is growing. It's becoming
20 one of the places to live. We're
21 becoming recognized as a county
where country charm and industrial

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development are not mutually exclusive as the video demonstrated. There are those three other important reasons why anyone lives where they do: location, location, location. Outstanding highway access throughout Harrison County makes the Louisville City Center just minutes away. Commuters from all over our County find that with ready access to I-64 they may still arrive to work quicker than their friends who live in popular developments in southern and eastern Jefferson County, Kentucky. Our scenic and historic attractions make people want to visit. Our residents and their commitment to solid small-town values make many of them want to stay. Education is important to us and it is another

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reason people want to move here.
We devote a large share of our re-
sources to meeting the educational
needs of our children. The oldest
high school building in the
County is only ten years old but
is being strained by rising student
enrollment, the school has already
been forced to complete additions
to the original structure. In
the past couple of years the
Planning Commission approved more
than eight hundred (800) new home
sites permits. More than eight
hundred. Left uncontrolled that
number will be even higher. This
presents a problem because infra-
structure serving existing homes
and businesses is strained as it
is. Without the ability to catch
up and build infrastructure and to
undeveloped areas our

1 will be out of control. Developers
2 willing to build their own systems
3 currently control much of the direc-
4 tion of residential and commercial
5 expansion here. People locating
6 here from more populated areas
7 expect the same services they en-
8 joyed before. If they spend a
9 lot of money building a nice home
10 they expect the roads leading to
11 it would be paved. But at this
12 time we simply do not have the re-
13 sources to pave the roads that
14 should be paved. We have 805
15 miles of roads in Harrison County.
16 Less than half of which are paved.
17 Like many fundamentally rural
18 counties that have become popular
19 residential communities, our water
20 service is inadequate. Either the
21 lines serving an area are too small

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or they don't exist at all. Adequate
fire hydrants don't exist through-
out most of the developing areas
either, only small flush hydrants.
We can't provide the volume needed
for fire fighting. Revenue from
the casino in Harrison County could
be well spent bringing improved
services to all areas of the county,
enhance our ability to attract
new businesses and give us more
control over nature and direction
of growth within the county.
Thank you.

JUDY HESS: Thank you, Terry.
Harrison County does indeed face
many new challenges as the turn
of the century nears and we have
given a great deal of consideration
to how we will meet them. Here to

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tell us how gaming revenues can help is Steve Haggard. Steve.

STEVE HAGGARD: Thank you, Judy.

The Evaluation Team devoted countless hours at meetings throughout the County listening to suggestions as to how gaming revenues should be invested here and shared with adjoining communities. Having heard these specific recommendations for programs and projects from our citizens, the Team assembled a comprehensive revenue spending and revenue sharing plan. The plan was presented to the County Council which approved it on April 13th of this year. As Terry mentioned, our growing County does have specific infrastructure needs as suggested in the plan. Thirty-five percent

1 of our gaming revenues could be
2 invested in roads, bridges, water
3 service improvements, sanitary
4 sewer projects, industrial park
5 developments, and the extension
6 of rail lines to serve new indus-
7 trial users and a County airport.
8 Fire development county wide could
9 get upgraded equipment and oppor-
10 tunities for advanced training.
11 New fire station housing ambulances
12 could open in southern Harrison
13 County. The County police could
14 add patrol cars and officers. The
15 video introduced you to the
16 County Parks. The gaming revenues
17 we could plan to make sure the
18 park system is sufficiently funded
19 and would never again have to lock
20 their gates because of financial
21 shortfalls that happened recently.

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Every Harrison County resident and property owner could also benefit from the administrative funds that could be established to upgrade the way county government maintains its records. In this plan seventeen percent of the county tax revenues could be spent on education. At risk, special education and latch-key programs could be established. A county wide library system could be established, college scholarship funds could be created, and innovative block grants awarded. Special agricultural vocational education programs could be provided opportunities for students of any age to learn a new skill or trade. Human service needs in our county are projected to receive ten percent of the tax revenues. The plan re-

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commends funding for various youth programs. Adult and senior citizen care, alcohol and drug programs, affordable housing, transportation service for seniors and the disabled, programs for individuals with special needs, child care, mental health programs and programs for rehabilitating juveniles and other criminal offenders, and programs to encourage Harrison County property owners to preserve their land for agricultural use. That's particularly important if we are to retain the kind of community atmosphere and quality life which has attracted growth in the first place. Five percent is earmarked for economic development. The Chamber of Commerce presented a plan to the County that would

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help us become competitive in re-
cruiting new industry. In January
the County Council denied funding
for the plans because we just
didn't have the money. This plan
included specific infrastructure
improvements needed to bring new
industry into the County, obtaining
purchase options on our prime in-
dustrial sites, a job training
program to assist and manufacturing
and marketing and small business
programs. We will also improve
business opportunities through
tourist development. Development
of new museums and ongoing preser-
vations of our historic sites.
Fifteen percent of the revenue
could be set aside for an overall
contingency fund just in case the
developer would drastically lose

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market share or even leave the County. As the video displayed, this is not a wealthy County, nor are we poor. We have needs we believe will help by gaining revenues but we also realize people in our neighboring counties and communities do too. The remaining eighteen percent of the projected revenues could be shared by then incorporated towns in Harrison County and counties in the area. Because it is uncertain whether Crawford County will have a riverboat, or which Harrison County location you might select, we have assembled multiple plans for revenue sharing. If you decline to award a license to Crawford County and you choose a developer basing its riverboat casino in Mauckport,

1 three percent will go to the incor-
2 porated towns in Harrison County,
3 eight percent will go to Crawford
4 County, three percent to Floyd
5 County, and one percent to New
6 Albany and Georgetown in Floyd
7 County and two percent will go to
8 Washington County. If you decline
9 to award a license to Crawford
10 County, and you choose a developer
11 basing its riverboat casino in
12 Bridgeport area, three percent will
13 go to incorporated towns in Harrison
14 County, eight percent will go to
15 Crawford County and one percent
16 to Floyd County, three percent to
17 New Albany, one percent to George-
18 town and two percent to Washington
19 County. If you also award a license
20 to Crawford County, the eight per-
21 cent earmarked for the County will

1 be allocated to other counties,
2 four percent of which would go to
3 the five most economically depressed
4 counties south of Indianapolis
5 without a riverboat casino. An
6 additional three percent would go
7 to New Albany and Floyd County and
8 one percent would go to Meade County,
9 Kentucky. Please keep in mind
10 these are the recommendations of
11 the people of Harrison County as
12 presented to the Evaluation Team.
13 We are not experts in programs for
14 at risk children or fire station
15 equipment standards, but those who
16 are have made their needs known to
17 us. They have also told us that
18 troubles and shortfalls don't end
19 at the countyline. Problems that
20 affect us also affect a lot of
21 other people throughout the region

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and we believe it is a wise investment to assist our neighboring counties. Thank you. Judy.

JUDY HESS: Thank you, Steve. Harrison County has been called The Cradle of Indiana. This was the first county formed by the Indiana Territorial Government, the First State Capitol was here. Our State Constitution was written here. We're proud of our role of Indiana's history. Those that met at that little stone building on the square or under the Constitutional Elm early last century were visionaries, solid people committed to the common good. In the years since the leaders of this community have tried to honor the spirit of those early citizen legislators, they are responsive to the people

1 of Harrison County, and are con-
2 scientious stewards of our resources.
3 William Henry Harrison, the first
4 Territorial Governor of Indiana
5 and ninth President of the United
6 States, for who this County is
7 named, would surely approve. We
8 have before us the opportunity to
9 become a major southern Indiana
10 economic center, while retaining
11 the rural character that makes
12 people want to live here. So on
13 behalf of my fellow citizens I
14 respectfully ask that you grant a
15 license for riverboat gaming to
16 Harrison County. We think we are
17 well prepared. Thank you for
18 your kind attention. After the
19 introduction of our team, we'll
20 entertain any questions you may
21 have. If I may introduce them please.

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If you would stand as I introduce
you. Kenny Saulman, County
Commissioner. Eddie Pitman,
Evaluation Team Member. Ed Emily,
County Commissioner. Earl Saulman,
County Councilman. In the back
row, Darrell Voelker, Executive
Director of the Harrison County
Chamber. Art Stewart, Evaluation
Team Member. Karen Shireman,
County Auditor. David Layson,
County Commissioner Attorney.
Greg Reas, Emergency Management
Director. Gordon Ingle, County
Council Attorney. Neil Lucas from
Stark, Donoger and Smith. John
Van Bus-Kirk from Stark Donager
and Smith, our legal counsel.
And Mike Hunter from Wolpert
Engineers, our engineering firm.
And of course, one more time, Greg

1 Albers from the County Council.
2 Terry Miller from the County
3 Commissioners and Steve Haggard
4 from the County Council.
5 Thank you.
6

7 CHAIRMAN - GAMING COMMISSION

8 Before we get started, I
9 would be remiss at not thanking
10 those people who helped conduct
11 our site tour yesterday, particu-
12 larly Mrs. Hess and the people from
13 Crawford County also. It was
14 most informative, it was sort of
15 tiring - we went and went and
16 went - and we weren't provided
17 with the best weather in the world
18 but it was very good, it was some-
19 thing that we find we get a lot of
20 useful knowledge out of taking
21 the tours to the site. We want
to thank both Harrison County and

1 Crawford County for the hospitality
2 shown us yesterday.

3 MRS. HESS: We're always
4 delighted to show off our county.

5 MR. KLINEMAN: Thank you.
6 We are now at the place where the
7 question is the questions for the
8 Harrison County Group. Do you
9 want to start off?

10 ROBERT W. SUNDWICK:
11 That was a nice presentation.
12 Thank you very much. One thing
13 that occurred to me as you were
14 making the presentation was that
15 you mentioned that your infrastruc-
16 ture is such that you have maybe
17 half of the roads in the county
18 are paved yet only five percent
19 of the revenue would go toward
20 infrastructure needs. Did I under-
21 stand that correctly or?

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JUDY HESS: No, it's thirty-five percent.

MR. SUNDWICK: Oh, okay, I'm sorry, I did misunderstand that.

EDDIE PITMAN: My name is Eddie Pitman. We have thirty-five percent listed for infrastructure in our revenue sharing plan, however, I'm sure I know where you got the five percent. Also listed under economic development we had a small section for infrastructure and the economic development was five percent, so I'm sure that's where you got the five percent.

MR. SUNDWICK: So it was just additional funds for that?

MR. PITMAN: Yes, it was, in case we had a situation where we wanted to do some economic development and we need some specific

1 funds for infrastructure there.

2 MR. SUNDWICK: Thank you.

3 DONALD R. VOWELS: There were
4 a certain percentage that was going
5 to be shared with the incorporated
6 towns in Harrison County. How
7 many incorporated towns are there?

8 JUDY HESS: Ten (10).

9 MR. VOWELS: And also in
10 reference to Meade County, Kentucky,
11 I understand that it is just across
12 the river, and one percent to
13 Meade County? Which seems awfully
14 nice, but why is it gonna leave
15 the state with the benefits?

16 MRS. HESS: And I'll let
17 others talk to this but there was
18 a -- when we're talking about areas
19 other than our own county that would
20 be impacted, we certainly felt
21 that Meade County would. We knew
that was an unusual thing to pre-

1 sent to you and I should say that
2 it is also pending the determina-
3 tion of the legality of such a
4 venture. Darrell.

5 DARRELL VOELKER: I would
6 like to just add to that the
7 entire process has been
8 by the public. The revenue
9 committee that met and made those
10 allocations of funds met for two
11 very long evenings. There were
12 twenty-two people on the committee
13 and the ideas that they proposed
14 were pretty much taken into consi-
15 deration as they were. So that's
16 where the idea come up and so
17 again for the impact on the areas
18 that that traffic was -- traffic
19 was one of the biggest considera-
20 tions when the evaluation team and
21 task force studied what impact

1 riverboat gambling may have and
2 they believed that traffic access
3 to Meade County, Kentucky would
4 be important.

5 EDDIE PITMAN: Judy, can I
6 speak to that also?

7 JUDY HESS: Certainly.

8 EDDIE PITMAN: We spent a
9 lot of time -- I chaired the
10 revenue finance committee -- and
11 we spent an awful lot of time
12 talking about revenue sharing and
13 I know this is, uh, I'm gonna go
14 over some of the same things again
15 that these folks have already
16 spoken to, but especially if a boat
17 would be at Mauckport, if you look
18 at Meade County, you look at
19 Elizabethtown, you look at Fort
20 Know, you look at where many of
21 the people might be coming from,

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and we just felt like if we're gonna share, probably Meade County would get an awful lot of traffic, and their road system is similar to Harrison County road system. We felt there might really be a need there.

JUDY HESS: We might establish a precedent; maybe the state could require Churchill Downs to share some money with us from Derby Day.

OTHER COMMENT -- fascicious..

KENNY SAULMAN: Yes, my name is Kenny Saulman, County Commissioner, and revenue sharing with Kentucky, I think is a good thing in my mind, and just recently they just had a bad storm there, a tornado, and people there from that tornado that were injured were brought from there to this

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county to be taken care of in our hospital. And we, the State saw fit some years ago to take the toll off the bridge so that people from Kentucky would come through our County, and we have several people that do commute here to work. We just thought it was a good thing to do.

JUDY HESS: Questions?

ANN M. BOCHNOWSKI: Yes, I have a question.....

UNKNOWN: I think he had a response to that...

ANN BOCHNOWSKI: Oh, I'm sorry. Go ahead.

MR. PITMAN: I, I just wanted to say that we are one community here. The river maybe is not as wide here as it is in other places between Kentucky and Indiana, a

1 lot of our families live on both
2 sides of the river and so on, and
3 it was a community sort of spirit
4 that we did that I think.

5 JUDY HESS: Yes.

6 ANN BOCHNOWSKI: Yeah, also
7 talking about how you're planning
8 to spend your gaming revenue, now
9 this gaming revenue you're talking
10 about the legally required spend-
11 ing?

12 MRS. HESS: Yes.

13 MRS. BOCHNOWSKI: You also
14 talked about safety, and I'm a
15 little concerned with the additional
16 traffic, the possibility of some-
17 thing happening on the boat. Let's,
18 I mean worst case scenario. I'd
19 like to make sure that your fire
20 department is up to this, that the
21 police department is up to this,

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emergency services catches, uh,
what if you need people, emergency
response for medical needs let's
say. Are all -- have you been
taking these things into considera-
tion and are the companies that
you're dealing with willing to
possibly put some additional funds
into this area so that they're
served?

JUDY HESS: Yes, we have
definitely been taking this under
consideration from the beginning,
and one of our five points was the
public safety issue and each de-
veloper has addressed which I'm
sure they will tell you in their
presentation, but I'd like to ask
Greg Reas if he wanted to make any
comment from the emergency manage-
ment.

1 GREG REAS: Yes, just real
2 briefly. All of those things ob-
3 viously have been a consideration.
4 I believe the fire departments
5 will be affected and also the sur-
6 rounding fire departments as well.
7 We look into issues such as EMS
8 training, first response type train-
9 ing, water rescue, all sorts of
10 things obviously come into play.
11 But honestly until a license is
12 actually issued we're not gonna
13 spend a lot of time spinning our
14 wheels, addressing those facts.
15 I mean, you know, go on and on and
16 on and on. But the riverboat
17 developers have expressed the in-
18 terest and the desire to work with
19 us and are, you know, with all of
20 these problems.

21 ANN BOCHNOWSKI: And when you

1 say, "They've expressed the desire
2 to work with you," does that mean
3 possibly extra funds? Because
4 they're gonna be creating a burden
5 on your emergency response depart-
6 ments.

7 MR. REAS: Yes ma'am, that's
8 true.

9 ALAN I. KLINEMAN: Well, and
10 the reason you haven't settled on
11 any requests of the developers is
12 because you don't know whether it's
13 gonna be at Bridgeport or Mauckport;
14 is that right?

15 MR. REAS: Yes sir.

16 GREG ALBERS: That was
17 also why we had them, each one of
18 them specifically address their
19 site and in conversations back
20 and forth what we felt would be
21 needed down there and what they felt

1 would be needed.

2 MR. KLINEMAN: I guess, I
3 think that there is some generic
4 things that would be needed period,
5 and I think that if you have a
6 wish list of those things you better
7 think about putting it into the
8 program and so because now is the
9 time to get what you -- that which
10 will protect the public.

11 ANN BOCHNOWSKI: In other
12 locations we've seen money above
13 and beyond what the law required
14 going into these things and that's
15 why...

16 MR. KLINEMAN: Yeah, that's
17 what we're really talking about.
18 Not a percentage off of the revenues
19 but rather what is going to be pur-
20 chased and in place the day that
21 the boat would open. I think that's

1 what's important.

2 JUDY HESS: I'm sorry..
3 Terry. And then I think John, if
4 you could address that.

5 TERRY MILLER: As far as the
6 water protection. The water com-
7 panies in those areas are not up
8 to that situation now to handle
9 that and we are in negotiations
10 with them to update the water com-
11 pany in order to provide them with
12 the necessary fire protection, the
13 sprinkler systems and on site..

14 JUDY HESS: John Van Buskirk
15 has been working with our develop-
16 ment agreement and with the deve-
17 loping..

18 ANN BOCHNOWSKI: Could I ask
19 a quick question on the water?

20 JUDY HESS: Yes.

21 ANN BOCHNOWSKI: Is that a

1 public company? Or is it a govern-
2 ment type company or is it a pri-
3 vately owned company?

4 TERRY MILLER: We have two
5 water companies serving; one in
6 the Mauckport area, the South
7 Harrison Water Company and it is
8 a conservative type water company
9 I think. Public. And the other
10 one is Elizabeth Water Company;
11 it's a municipal owned water com-
12 pany that serves the rural area
13 surrounding.

14 MR. KLINEMAN: So they're
15 both local? Basically publicly
16 owned?

17 TERRY MILLER: Yes sir.

18 JOHN VAN BUSKIRK: The county
19 has funds to place some of these
20 improvements and put the structure
21 needs into place such as the water

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companies, the additional fire protection, the police protection and items such as this.

DR. DAVID ROSS: Do you presently have any kind of medical, emergency medical response system in the area?

DARRELL VOELKER: Yes. I'm Darrell Voelker with the Chamber of Commerce. Yes. The Harrison County Hospital has a relatively new emergency wing. I believe there are are three (3) ambulances that are dispatched from the Hospital and then there is a ambulance that serves the northern part of the County that is run by volunteer fire department.

ANN BOCHNOWSKI: Yes. The problem we're just kind of discussing here is that we've got a fair

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amount of distancing from Corydon and the actual location of the riverboat, and have you thought about the possibility of what if a number of people had to be evacuated and had to have to be treated medically?

JUDY HESS: Yes, we have addressed it. Now, as Greg pointed out, we have not developed a specific plan. I concurred with Greg that to work out a specific plan for all four of those sites would be a real burden to him at this point. And, yes, go ahead.

JOHN VAN BUSKIRK: As part of the overall process for emergency planning for the County, there obviously has to be something that, you know, we'd take a look at it. We've been in the process for about

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six months or so developing a
..... plan. Fortunately, you know,
we have a lot of resources we can
call on from the Louisville metro
area, if need be. The other
thought is to also with a
helicopter. We've got four
from the other Interestingly
enough, we are relatively resource
rich in those respects. There's
a number of hospitals in the
Louisville area, there's two heli-
copters that fly out of Louisville
itself, so we've got a lot going
for us in that respect.

JUDY HESS: And your county
plan addresses mass disasters or
emergencies, correct.

DONALD R. VOWELS: We had a
lot of comments yesterday about
the traffic situation, especially

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the Bridgeport area, people that...
the community to Louisville now
through that area, I think they
were saying. What's the general
feeling in the county as to the
congestion that may occur in that
area? We've heard a few voices
but I don't know that we heard
really the true voice of the county
on that congestion situation.

JUDY HESS: Terry, did you
want to start with the business?

TERRY MILLER: I talked to
the developers and when the hours
are heaviest and the rush hour
period is the times early in the
morning when there would not be
the traffic coming to the river-
boat, say from 6:00 o'clock in
the morning until probably 9:00 or
9:30. All of them have proposed

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significant improvement on that road and I think the general consensus in the county is there will be more traffic on it and I'm thinking that they will address it in a manner that will make it work.

JUDY HESS: Do the representatives -- I'm sorry -- of the engineering firm have any comment on that at all?

MIKE HUNTER: I'm Mike Hunter with Wolpert Consultants. We have reviewed the traffic impact studies submitted by each of the developers. While we did not go to the level of effort to perform a complete traffic impact study ourselves we did review all of their information, we did visit the sites and did what we thought was due diligence to try to verify the

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facts that are contained in these various traffic impact studies. There are a number of improvements that will be addressed, particularly along the state highway to facilitate this traffic flow in and out, also through New Albany Street to 64. If the Mauckport site is chosen there are also improvements to 135 all the way up through the Corydon area to the Interstate. So to respond to your question, yes, the peak traffic issues have been addressed. We feel that the developers have been very responsive in this regard and there are improvements regardless of which site is proposed.

ALAN KLINEMAN: Well, this of course, is another thing that you would want to have the developers

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committed on, rather than expect to do these improvements out of the share of the revenue. So it would be important that pen and paper meet before the boat sails.

TERRY MILLER: When we went into this process that's one thing we told them that we didn't expect it to cost our county anything. And we've pretty well held them to that.

GREG ALBERS: I think that also applies on the New Albany and Floyd County end, I think each developer up there has contacted the major and the administration in New Albany, and that is probably the biggest bottleneck on that end when you're going through the city itself. I think they will enlighten you on the agreements they have

1 with New Albany when it gets to
2 be their turn.

3 THOMAS MILCAREK: There was
4 no endorsed applicant in this area
5 which different than what we've
6 seen in other places. Why is it
7 that that has occurred?

8 JUDY HESS: We had a number
9 of reasons, and I'll give you and
10 I'm sure others will want to talk.
11 One of the major reasons is be-
12 cause you're the ones authorized
13 to make a decision and we're not;
14 secondly, you're privy to much more
15 information that you need to make
16 a decision like that that we don't
17 see. Some of the financial infor-
18 mation and statistical information
19 you have, we don't have access to;
20 we don't have access to the state
21 police reports, the IRS investiga-

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tions. Those types things which we feel would be necessary to make a good decision and not be making a decision in a vacuum. We felt by not endorsing we didn't muddy the waters for you, and that we had the county up front, we were wanting to get the best deal for the county with each applicant. So those were some of the reasons that I might mention but I'm sure there would be others that would be anxious too. Greg.

ANN BOCHNOWSKI: And I want to say thank you.

GREG ALBERS: I probably was one of the driving forces on not making an endorsement and I want to tell you that I was being a little pragmatic in doing that. There are groups in this county

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that would favor each one of those things. So we pick one of them and make three groups mad. We go take it to you all and you pick one of the three we didn't pick, everybody in the county is mad at us, so this being an election year we sidestepped that.

JUDY HESS: We didn't realize what a coincidence in timing it would be, and as today is primary day, five of our six elected officials that are on the task force are all on the ballot today.

TERRY MILLER: We also felt that looking at the applicants, that the four that we have are first class. I don't think there is really a weak one in the bunch and we'd be happy to have any one of them.

1 ANN BOCHNOWSKI: Did the Task
2 Force come to any conclusion about
3 which sites? I'm sure you don't
4 want to touch that during an elec-
5 tion.
6 MR. ALBERS: Wait till 6:00
7 o'clock.
8 JUDY HESS: We may want to
9 wait until 8:00 or 8:30.
10 ANN BOCHNOWSKI: Okay. I
11 won't even make you answer that.
12 Yeah. There was comment yesterday
13 though regarding the Bridgeport
14 area and the fact that your neigh-
15 boring county voted the riverboat
16 referendum down, and yet if we put
17 a boat at Bridgeport we'd be basi-
18 cally putting a boat right next to
19 their county. Have you had conver-
20 sations, I'm sure, with the New
21 Albany people and the people in

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that county to come and see how they're feeling about the casinos?

JUDY HESS: Uh, and I could be checked on my facts here, I know that in the first referendum in Floyd County the City voted for the boat, and I think it was so in the second referendum. So the City itself was pro riverboat casino and the City in our Task Force conversations with the Mayor and in talking with the developers and their conversations with the Mayor, very receptive in being a partner here. Others.. I can't believe I get the last word with this.

THOMAS MILCAREK: In your talks with the four companies, and we talked about the laundry list that we're used to seeing about certain things such as infrastruc-

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ture improvements etcetera, was there any written agreement with the four companies about what they would do for the County?

JUDY HESS: Yes.

THOMAS MILCAREK: Anything in writing?

JUDY HESS: Yes. John.

JOHN VAN BURKIRK: Yeah, we are in the process now of negotiating developing agreements with each of the developers. There's quite a few items that we're covering, and infrastructure is an important item. One important item that has to be negotiated and discussed is the water utility. As you saw on the video that is a problem in the County and there has to be.... the developers provide infrastructure and plan for the local municipal water so the water will

1 become available throughout the
2 County. We have addressed the
3 road situation. We've addressed
4 the hiring locally, we've addressed
5 prevailing wage issue, we've ad-
6 dressed using local people for
7 supplies, for jobs, for assistance
8 in having people in southern Indiana
9 be advised of how they can become
10 competitive for supplies. We think
11 the development agreements are
12 very important to the County.
13 And we are optimistic that within
14 the next week or two we will have
15 signed agreements with all of the
16 applicants.

17 ROBERT SUNDWICK: Was the
18 emergency plan a part of that nego-
19 tiation?

20 JOHN VAN BUSKIRK: Yes.
21 There were meetings with the engi-

1 neers and discussion regarding
2 fire protection and emergency res-
3 ponse.

4 MR. SUNDWICK: So that's a,
5 this is a side agreement that says
6 we're gonna do this, 'cause I didn't,
7 you know, I listened to all of the
8 emergency issues about Louisville
9 and what they would do and what we
10 think could happen. I'm not con-
11 vinced that anybody would do any-
12 thing after the fact. You're --
13 you're really saying that you do
14 have the agreement with these people
15 individually, this is what we need
16 to, to support you in an emergency
17 environment?

18 MR. BUSKIRK: Yes. There is
19 a provision in the agreement that
20 the developers will need to provide
21 certain levels of security and emer-

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gency response and that they need to work with and consult and cooperate with the County and provide an appropriate emergency response plan for the project.

THOMAS MILCAREK: Was there any specific discussions, say for instance to provide an additional fire truck or police cars, or ambulances?

JOHN BUSKIRK: In some circumstances there were those discussions and perhaps Terry or Mike can answer those questions.

TERRY MILLER: Some of the developers are proposing updates to the local fire departments and are willing to work with them in any way necessary.

THOMAS MILCAREK: As far as the discussions that you've had,

1 you know, some of these boats pro-
2 pose to have three or four
3 thousand people on board. And say
4 if there was a fire and you had
5 two hundred, three hundred people
6 who needed to get medical attention,
7 serious medical attention right
8 away, do you feel that what's being
9 addressed with these companies will
10 be adequately covered in a situa-
11 tion of worst case scenario like
12 that?

13 TERRY MILLER: Uh...

14 THOMAS MILCAREK: Because I
15 think the coast guard will certainly
16 be interested in that.

17 JOHN BUSKIRK: Yes. The
18 coast guard has and we've had, uh,
19 we're working with -- we've got ...
20 both working attorneys and what I've
21 seen the gaming companies themselves,

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those issues are being addressed.
I've also went to the pains of
seeing what they were doing as far
as Evansville and I talked to the
riverboat people down there to see
what, you know, we'd be looking at
in the event the boat be, uh, that
a certificate would be issued here
in Harrison County as well.

QUESTION: Inaudible.

JOHN BUSKIRK: Yes. Actually,
the way I see it there's gonna be
two actual plans; there's gonna be
an onboard plan for the boat it-
self that's gonna address those
particular issues. For example,
if they did have a fire on board,
the coast guards concerns are not
very great because the boats are
made so they are practically fire-
proof. They are also designed so

1 that they're not really in danger
2 of sinking. So what they're gonna
3 be looking is doing things like
4 finding shallow part of the river,
5 maybe grounding some place along
6 the river bank on either side and
7 that they have a point to set up
8 a triage area and also, you know,
9 get the people that are seriously
10 injured out as quickly as
11 possible.

12 THOMAS MILCAREK: How close
13 is the closest hospital to Bridge-
14 port and Mauckport?

15 MR. BUSKIRK: Well, the
16 closest place -- obviously, the
17 closest place from Bridgeport as
18 far as hospitals that would be in
19 the Louisville area. Now, we've
20 got an awful lot of, uh, I can't
21 tell you exactly how many ambulances

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that are available through Louisville metro area, provide ambulance services, provide an ambulance services in New Albany, plus what we have here in Fort Knox and Meade County. But it's a pretty substantial number. We have done some drills about a year and a half ago with VA Hospital, addressing exactly that type of thing; what are we gonna do if we have an extreme mass gas leak incident, how fast can we get people from point A to point B.

THOMAS MILCAREK: Are there city police departments in Mauckport and Bridgeport? Or do the Sheriff's department cover all that?

The Sheriff for the County.
Okay. And the Sheriff, this is the county seat, right, Corydon,

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so they're here. How many sheriff cars are there in the county?

GREG ALBERS: There's two I think on patrol most shifts around the clock.

MR. MILCAREK: Two sheriff deputies out on patrol for the entire county?

GREG ALBERS: Yes, right.

MR. MILCAREK: Okay, is there any thought about expanding that?

GREG ALBERS: Yes. Let me expand on what I had mentioned earlier. Each of the developers has proposed an additional revenue sharing plan for the county once the boat is up in operation it will share money either based on their adjusted revenues, gross revenues or on admissions. The County did request and we believe all of the

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developers will advance a very significant amount of that, probably 1.75 million directly to the County right after the certificate. And it's the County's intent to have that, and we also have a provision in our agreements, that the developer will reimburse the County for some expenses once the certificate is issued, between that period of time when the certificate and when the boat opens. We anticipate it is probably gonna take at least six months for court approval before they can do anything, so the idea is to have money in the County immediately so that once the certificate is issued the County will have the funds directly available to address these concerns to hire more police, to work with the fire

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departments and make sure there is equipment for fire, for ambulance, and for police protection.

MR. MILCAREK: And this hasn't been used yet, this agreement you are talking about?

MR. BUSKIRK: We have one that is signed and we were working with the other three developers.

MR. MILCAREK: Who has signed it so far?

MR. BUSKIRK: Horseshoe.

MR. MILCAREK: And, sir, you made a comment, you said, "Some" have, you used the word, "Some," had agreed to the plans.

TERRY MILLER: As John said, we're still in negotiations with three of them so we don't have that finalized yet.

MR. BUSKIRK: We would like

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to be in a position of having those agreements done within the next week to ten days and furnish complete copy to the Commission and the Staff.

MR. SUNDWICK: And these are identical agreements, you're just saying here is what we require and not one different than the other?

MR. BUSKIRK: The only differences would be some minor changes on the Mauckport location due to its location. Other than that they are the same.

MR. MILCAREK: You understand that sometimes when we have these lists these companies become really agreeable to certain things and they start talking to it. So it might be helpful for you to see it.

1 MR. BUSKIRK: I think you'll
2 find when you look at each indivi-
3 dual proposal from the developers
4 that a lot of these issues are
5 covered in their proposal on an
6 individual basis as it applies to
7 their development. So if there
8 are any holes in that we can ad-
9 dress that.

10 ALAN KLINEMAN: Well, and one
11 of the things we're used to seeing,
12 and I don't want to get in and
13 negotiate any kind of agreements
14 on behalf of Harrison County, but
15 we're used to seeing monies flow
16 from the developer to cover some
17 of these things without taking credit
18 against some ongoing revenue sharing
19 that is in the future. In other
20 words, most of them you get the
21 money out front and you also get the

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revnue sharing both at whatever level you're able to negotiate.

JUDY HESS: Darrell pointed out to me that we probably didn't make one thing clear. There are twelve full time county deputies cars. But more cars -- he didn't want you to think we only had two deputies.

ANN BOCHNOWSKI: Yeah, I was just thinking maybe we could drive as fast as we wanted.

MR. MILCAREK: I just hope there's no bank robberies or any other You said that you had gone to some other sites?

JUDY HESS: Yes.

MR. MILCAREK: Where did you go to? I didn't recognize where.

JUDY HESS: Oh, as a group, as the first evaluation team we went

1 to Metropolis.

2 MR. MILCAREK: Okay.

3 JUDY HESS: I think indivi-
4 dually we have all gone to different
5 places. We were pretty sensitive
6 to the fact that we didn't want the
7 county people to think that we
8 were all taking vacations to casino
9 boats because it can be an issue
10 and we didn't want it to cloud any-
11 thing, so that's why we did those
12 trips on our own.

13 MR. MILCAREK: Did you get
14 any impression from talking to the
15 leaders in those different commu-
16 nities about whether there was an
17 increase in the crime rate? I
18 mean particularly the two police
19 cars, sheriff's cars on the road,
20 at least the traffic is concerned
21 and there will be alcohol on the

1 boat, but other than that did you
2 get any impression about it, the
3 significant rise in crime rate
4 that would directly relate to the
5 boat in the county?

6 JUDY HESS: We most specifi-
7 cally addressed that question prior
8 to the referendum, from January
9 and May of '94, and we spent a long
10 time on that issue of the crime
11 rate, if there was an increase be-
12 cause it was a concern that was
13 brought to us pretty steadily from
14 county citizens. What we did --
15 Eddie, was it thirteen communities
16 that...?

17 MR. PITMAN: Thirteen.

18 JUDY HESS: Of the seven Task
19 Force members at that point had
20 certain communities that they talked
21 to on every issue and Eddie and Art

1 Stewart and I were on that first
2 task force and so I invite him also
3 to contribute here. The calls
4 that I made, and East St. Louis was
5 one of mine, uh, the response was
6 that there was no significant in-
7 crease in crime. East St. Louis
8 tells me -- what would they know,
9 right. But the chief of police
10 there was quick to point out to me
11 that it was the safest place in
12 East St. Louis because it was so
13 well lighted and because the company
14 took such good care of the property
15 and provided so much security.
16 He said he thought it was the best
17 place to be in East St. Louis.
18 Yes sir.

19 DONALD VOWELS: You know, I
20 probably would think East St. Louis
21 would come down because of the boat.

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JUDY HESS: Yeah. He actually did say that and one of the other reasons he gave was because it brought so much more employment that people were less inclined to do illegal things to sustain life because they now had employment.

MR. SUNDWICK: So you're satisfied that there, you know, there's not gonna be this great increase in crime because of this opportunity?

JUDY HESS: I think certainly both task forces were satisfied. I'm not going to tell you there are citizens in the county is satisfied.

MR. SUNDWICK: Well, I'll just tell you I'm, being in Evansville and the boat has been there for six months or so, and I'm a

1 criminal defense attorney and we
2 haven't gotten any new business
3 off of it.

4 EDDIE PITMAN: If I could
5 say something also, our County
6 Sheriff at the time that the original
7 task force was formed did call the
8 chiefs of police or county sheriffs
9 in each one of the thirteen areas
10 I believe it was and he reported
11 back to us just basically what Judy
12 had said that the developers
13 had been very easy to work with.
14 In fact in many instances they felt
15 like there was less crime rather
16 than more. Now, I would tell you
17 that because of traffic there were
18 more traffic accidents just simply
19 because there were more people
20 driving on the highway.

21 JUDY HESS: They generally

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compare those as fender benders,
that type of thing.

MR. VOWELS: But there is
talk of getting additional sheriff's
cars?

JUDY HESS: Yes.

MR. VOWELS: Very definitely?

JUDY HESS: Very definitely.

STEVE HAGGARD: Judy, if you
had some more specific questions
that you'd like to ask, maybe the
sheriff's department, the Sheriff
is here. He's kind of, you know,
around and out but he is sitting
here. We'd like to ask him to come
down in front.

JUDY HESS: Yes. We had in-
vited him to be down here with us.

STEVE HAGGARD: Yeah, so maybe
he ought to maybe come up here and
if you have some questions you can

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go ahead and ask him.

MR. MILCAREK: I don't have
any more myself.

STEVE HAGGARD: Just want
to make sure.

JUDY HESS: Other questions?

ALAN KLINEMAN: Mr. Thar, do
you have any questions?

MR. VOWELS: He didn't drive
here, did he, in the second car?

(LAUGHTER)

JACK THAR: Just have a
couple of things; with regard to
the negotiated development agree-
ment, I think we indicated to you
that we had kind of advised the
committee stop at this point in
time for a couple of reasons. The
timing of the negotiations with
regard to the development agree-
ments were pushing right into

1 this week. Found two things, either
2 was a rush, sometimes things are
3 missed the rush among the
4 companies as to who can sign first
5 so they can say we've got signed
6 development agreement. What we've
7 indicated is that during the course
8 of these hearings as the informa-
9 tion comes from the developers,
10 the Commission after we've heard
11 what the County needs are to hold
12 the developers to that condition,
13 then to develop an agreement after
14 the fact. That's just an explana-
15 tion as to where and why all cannot
16 sign the development agreement at
17 this point. One of the questions
18 that we've had when we've been to
19 other rural townships that have had
20 the infrastructure issues that
21 Harrison County does is your prepara-

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tion in such areas as who is the zoning authority for the Bridgeport area and the Mauckport area and what steps have they taken with regard to the potential zoning in the area should they get a river-boat?

JUDY HESS: Terry.

TERRY MILLER: Both of them come under county zoning and there really hasn't been anything done on that yet and I don't foresee any problems.

JACK THAR: One of the things we've noticed, as a bit of warning, is that after a certificate of suitability is issued things move quick, so if you haven't planned you could fall behind, so even though you haven't enacted the zoning you may need, you need to know exactly

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where you want to be on it.

TERRY MILLER: We are in the process right now of updating our comprehensive plan, it should be, it's in the draft form so it should be approved at any time and a lot of these issues are addressed in it.

JACK THAR: The other thing we've noticed is that in an election year that sometimes people change from who is in now and who is in November, files disappear, and leaves the new people really empty handed. So you guys have done a great job in keeping bad feelings in the County or division so if that could carry through, it would greatly enhance the County's ability to see a smooth riverboat development. You can for instance look at Evansville how quickly their

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boat got on line, as compared to Lawrenceburg to date or Gary to date, how long a certificate has not gotten on line because of a potential lack of cooperation. The zoning area is one and then if we pick who controls the water in both Bridgeport and Mauckport.

TERRY MILLER: Elizabeth Water Company controls the water in the Bridgeport area; South Harrison controls the water in the Mauckport area.

JACK THAR: What have the gaming companies indicated they would do in terms of their water supply and the existing water facilities?

TERRY MILLER: Both companies share the same engineer; Robert Curry. Is Bob here this morning?

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He's supposed to be here. Would you come down, Bob. Bob has drawn up plans for both ends and the developers are agreeable to carrying this through.

ROBERT EUGENE CURRY: Certainly the...

MR. KLINEMAN: Would you state your name for the record, sir?

MR. CURRY: My name is Robert Eugene Curry; I'm a licensed professional engineer, and I have represented all of the water companies in Harrison County with the exception of the Town of Corydon for the last sixteen years, and I am familiar with the water supply situation in Harrison County. Certainly, water supply is capable to be provided to the various casinos.

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I anticipate no problem in providing water technology, ample water and ample quality of water to be provided.

JACK THAR: How? I mean what's it gonna cost?

MR. CURRY: We prepared preliminary estimates. They have pledged in excess of two million dollars.

JACK THAR: For either site?

MR. CURRY: Inaudible.

JACK THAR: Would that estimate be true for either site; Mauckport or Bridgeport?

MR. CURRY: It's a coincidence but as a matter that number is very close for both locations.

JACK THAR: Would that be then an exist, an expansion of the existing water company in that area, are we talking about a well that

1 would be solely used by the gaming
2 developer or what?

3 MR. CURRY: It is my antici-
4 pation that the utilities would
5 provide the water and in case of the
6 South Harrison water utility they
7 would make extension of the existing
8 water mains from the existing loca-
9 tions to the Mauckport area and in
10 the case of the Bridgeport site,
11 that will be a situation where new
12 wells would be drilled and new
13 water treatment plan facility would
14 be installed and that water trans-
15 mission would be provided. In
16 both cases the department would
17 be included in the design.

18 MR. THAR: How will the
19 costs be born of those improvements?

20 MR. CURRY: Well, the costs
21 will certainly not be born by the

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water users of the two utilities
so it's my anticipation that the
costs would be allocated directly
to the areas and of
course that case it would be the
casinos.

JACK THAR: Or any new, would
it be if there is additional develop-
ment in the area of the casino,
would the extension of the water
and service of the casino area
be sufficient to also supply other
development that would come up in
the area?

MR. CURRY: Yes sir. In
analyzing the water supply in each
or both of these locations we used
the master plan concept where we
analyzed the casino to be concurrent
with the overall community needs
so we have provided for water ser-
vice for the entire area, that's

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why the casino is of design.

JACK THAR: Is there a cost differential between a project that say projects a hundred to a hundred and fifty room hotel as opposed to one that projects a five or seven hundred room hotel?

MR. CURRY: A very marginal difference. There would be a very marginal difference.

JACK THAR: Maybe while you were there, you might be the same guy that we need to talk to with regard to sanitary sewers. How will that be handled with regard to Mauckport or Bridgeport?

MR. CURRY: I have -- I'm sorry, sir, but I haven't dealt with sanitary sewers, only with the water supply.

JACK THAR: If we could switch

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and get to the same questions with regard to sanitary sewers.

MIKE HUNTER: Each of the developers has proposed to construct a package sewage treatment plant basically adjacent to their existing development sites.

MR. THAR: Would you identify yourself?

MIKE HUNTER: I'm Mike Hunter with Wolpert Consultants. In each of these cases we have gone through some preliminary sizing. There has been discussions with each of the developers as to whether or not the waste water facilities would service only their site or would provide capacity for adjacent sites. It's my understanding at this point in time only one of the developers has proposed

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to provide waste water treatment for the adjacent community; that was in the case of the Mauckport site because there is a general community very close to them. There is one of the developers on the Bridgeport site that has offered to construct waste water treatment for the Town of Elizabeth should the Town desire that, but generally the waste water facilities would be designed to service each of the developments.

MR. THAR: What about any new developments which would arise in the immediate area?

MR. HUNTER: Again, at this point in time, beyond what I just explained to you there are no plans for that. They would be more site specific. The problem

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they get into is the fact that if they're going to service outside their own development basically they would need to form a separate public waste water utility, and none of the developers I don't think really wants to get into the waste water business. If the local community, the case of Mauckport or Elizabeth or wherever wants to have waste water treatment, I think each of the developers is willing and the discussions have been they would be willing to construct a facility and turn those over to the communities, but they really don't want to get into the waste water utility business.

MR. THAR: I understand that aspect. I just wondered where it leaves the County if a waste water

1 treatment facility is designed
2 solely to handle the riverboat
3 development only, does not provide
4 anything for additional development
5 whether it be residential or com-
6 mercial, particularly since I under-
7 stood from yesterday that certain
8 development and certain interstate
9 access has been slowed down or
10 stopped because of the inability
11 to handle sewage.

12 MR. HUNTER: Jack, I
13 think you would have to blame that
14 on me but that was in the Edwardsville
15 area. That was in Floyd County.
16 No, there is municipal and waste
17 water treatment plans just in
18 three incorporated towns in the
19 County. Corydon, of course, would
20 serve the large industrial commer-
21 cial area; Palmyra, which is in the

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north and Lanesville, but there is no waste water treatment utilities at all in the southern part, and the place that I think you're referring to is the Edwardsville exit.

MR. THAR: I thought it was true also for the Lanesville exit and...

MR. HUNTER: That is true and that was mentioned yesterday in public comment. I'm sorry. There is no such -- the sewer at Lanesville is only engineered in such a way to handle the town and it would not be able to handle a commercial or industrial growth which is possible at the interchange.

MR. THAR: I want to move very quickly to two more areas and then I'm finished. There has been

1 a lot of discussion about public
2 safety in the area of medical emer-
3 gency. Are there discussions to
4 increase, actually have a presence
5 of ambulances and maybe of law en-
6 forcement in the immediate vicinity
7 of these riverboats on a full-time
8 basis as opposed to centered in
9 Corydon?

10 JUDY HESS: Each developer
11 again I think will present some of
12 their thoughts on that because
13 they have included that in their
14 plans.

15 MR. THAR: I guess I want to
16 know what the County is doing on
17 this.

18 JUDY HESS: Sure. Greg.

19 GREG REAS: Each one poses
20 a slightly different problem. We
21 tried to take a determination of

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what incidence of increase runs the riverboat would cause to the County. Elizabeth, in our opinion, should have an ambulance and if you want to speak to the Sheriff, but at least an ambulance based in that area. The Mauckport area probably won't need one because it is accessible by 135 and in a very short period of time.

MR. THAR: Well, if we just take some of the experiences we had in Evansville: A gentleman showed up the second day of the gaming, was so excited waiting in line and he had a heart attack. Now, everybody knows if you have a disaster of fifty or more people you're gonna get the attention of everybody in the neighborhood. But the one guy who collapses in the

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pavillion, he's waiting for fifteen to twenty minutes, solemn type service. So are people thinking about moving that service so it's more responsive and quicker for the?

GREG REAS: Yes, it's being considered.

MR. THAR: That's what the question is. And have any plans been moved into that area for that?

GREG REAS: There hasn't been that I'm aware of.

MR. THAR: That would put it within what then, six to eight minutes response time to any of the Bridgeport sites from Elizabeth?

GREG REAS: Or less, yes sir.

MR. THAR: How about Mauckport?

GREG REAS: That would take eight minutes.

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MR. THAR: Is that coming from Corydon?

GREG REAS: Yes.

MR. THAR: So that's what, you've got to cover fifteen miles as fast as you can?

GREG REAS: Actually, it's less than eleven.

MR. THAR: Okay, eleven miles as fast as you can.

GREG REAS: Well, no, we're hoping that, you know, seven to ten runs. You know, within the speed limit within the law. You know, certainly they can step the run up but we're trying to base our responses on, you know, maintaining the speed limit. You've got lights and red siren doesn't give you the license to run faster than the speed limit.

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MR. THAR: Well, I understand that but if I've got about ten or eleven minutes to get down there, that means I've got ten or eleven minutes to get back.

MR. REAS: That's correct. Also, one other thing that you may be interested in, the EMT's in this area have just recently completed a paramed training. They have to complete their hours now to get license or certified as parameds, so we look for our service, fortunately, is substantially increased so they're gonna be able to do a lot more once they get to the site other than just, you know, monitor and try to run them back to the hospital.

MR. THAR: One final area, you itemized and listed your pro-

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grams by with regard to how the gaming revenues would be spent, for instance, thirty-five percent on infrastructure; things like this, and you listed a lot of programs. Have you got any cost figures as to what these programs will be or have you prioritized any of those programs.

JUDY HESS: We did not prioritize them and we did not associate costs. They were examples of, you know, these are the types of things

MR. THAR: The equivalent population here of your county, so we give a location on Saturday or Sunday, and we've got to do that if they're going to be successful here in their developments,

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is this County prepared for that in terms of changing its lifestyle and the types of infrastructure consideration and safety considerations and other things that need to be in place; are you wanting to do this and are you prepared to do this? That's a two-part question.

JUDY HESS: Certainly, we want to do this and we have addressed being prepared to do this. Terry.

TERRY MILLER: We've been wrestling with this issue for two years now, and we've tried to cover every base. We've tried to make sure that the citizens are protected and I think the majority of the County is in favor of it.

EDDIE PITMAN: If I could respond also. As Terry said, we've actually spent two years and four

1 months; I know exactly how long
2 we've spent. And we've met all
3 over our County. We have asked
4 for citizen input at every single
5 one of our meetings, we've developed
6 a wish list. Folks, if you gave
7 us five more years there could
8 probably be something come up that
9 we wouldn't have thought of, but
10 we've really tried hard and our
11 communities I think have tried hard
12 to give us input. We want to cover
13 every base that we can. But, any-
14 way, we've really tried hard to
15 answer some of the questions which
16 you've asked.

17 MR. THAR: I understand that
18 and I guess one thought I'd leave
19 you with is this: The day this
20 Commission opened with the, should
21 they give us the certificate of

1 suitability to a company here, the
2 wish list days are over. The action,
3 the decisions have to be made.
4 Otherwise, you'll be behind in
5 twenty-four hours. So, are you
6 prepared to do that? Do you have
7 a -- are you ready?
8 GREG ALBERS: One of the
9 reasons that we put so much money
10 into the infrastructure area and
11 didn't earmark it was because we
12 have seen other communities think
13 they had all the bases covered and
14 then when the boat floats find out
15 that they left something out. The
16 sewer issue is kind of like the
17 road issue in this County, the way
18 the County is growing we really
19 don't know where to put the dollars
20 until it happens. The commissioners
21 go out and blacktop a stretch of

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road, thinking: Boy, this is where the development is gonna happen, and then in six months it's happening somewhere else. The sewer is kind of the same way as far as knowing where to put it for the housing development that will happen. One other thing I wanted to cover, I don't think you got an answer on was the County records and records of this proceeding for the last two years or so. Darrell Voelker with the Chamber of Commerce has all of those records, so they're out of political hands and they're about to shove him out the door too, by the way.

JUDY HESS: Many of us have tried to shove him out the door.

(LAUGHTER)

One thing I did want to point

1 out is that we did try specifically
2 to address everything we could in
3 that twenty-eight months as Eddie,
4 the chronologist, has pointed out
5 for us and that is what in those
6 five major points that's why we
7 made those allowances because we
8 may not have thought it all through
9 and the difference in this instance
10 is I think everywhere else you've
11 been you pretty well knew where
12 the location was going to be. You
13 know, it was going to be in X, Y,
14 Z City, whereas, in our instance,
15 as you know, we have four sites and
16 a lot of the specifics can't be
17 developed until we know which site
18 you would select.

19 Any other questions?

20 THOMAS MILCAREK: I want to
21 hear from the County

1 one forty-nine, is that right?
2 Do you have any idea what the
3 figures were in Bridgeport, in
4 Mauckport, do you know?
5 JUDY HESS: I'm really not
6 seeing any, anybody with the
7 light bulb going on? I'm sorry.
8 ALAN KLINEMAN: The Sheriff
9 has come up I think since we, uh,
10 we have him here why don't we ask
11 him a couple of questions.
12 Sheriff, welcome.. Do you have a
13 wish list? And if so, have you
14 made it available to the developers?
15 CLYDE SAILOR: I'm Clyde
16 Sailor. I have talked with a couple
17 of the riverboat companies, and
18 asked them specifically what they
19 would need, and I told them the
20 number of men it would take to do
21 this. If they want twenty-four

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one man on site twenty-four hours a day it would take roughly six or seven officers to accomplish this. If we have a serious traffic problem with say a license were let for Mauckport, we put one person on the road twenty-four hours a day, so it takes about four or five people. So that would be additional if we come up with a serious traffic problem. On that road as it stands now, you add another fourteen -- fifteen hundred cars an hour and the change when the boat lands, there will be some traffic problems.

MR. KLINEMAN: Has anyone talked to you about additional equipment for your agency?

CLYDE SAILOR: A couple of the developers have; other than that why not really.

1 MR. KLINEMAN: We were up in
2 East Chicago and they got a brand
3 new police car as compliments of
4 the developer.

5 CLYDE SAILOR: Well, we
6 really actually have eight (8)
7 county officers, rather than twelve
8 (12). Eight (8) county officers,
9 a detective, the chief and myself,
10 with the department really eleven
11 people is what we have on the
12 department.

13 MR. MILCAREK: How many ad-
14 ditional vehicles do you anticipate
15 that you would need?

16 CLYDE SAILOR: Each officer
17 has a take-home vehicle, so for
18 how ever many officers we need, we
19 need that many vehicles, plus I
20 would like to have the officers
21 equipped with the same line of

1 equipment that we have now; bullet-
2 proof vest and the cars completely
3 equipped and I would think that
4 that's what we need.

5 MR. MILCAREK: Has that been
6 discussed with any of the companies,
7 those needs?

8 CLYDE SAILOR: They kind of
9 indicated that whatever it takes
10 to get our people there they're
11 willing to go along with. We're
12 not gonna ask for any luxuries,
13 we're just gonna ask for what we
14 really need to get the job done.

15 MR. MILCAREK: There are two
16 fully equipped deputy sheriff cars;
17 is that right?

18 CLYDE SAILOR: No, no, we
19 have eight (8) deputy cars. Each
20 officer -- we have eight (8) full-
21 time deputy officers and each one

1 has a take-home car which is fully
2 equipped.

3 MR. MILCAREK: Well, what
4 was I hearing earlier about there
5 just being two cars that.....

6 CLYDE SAILOR: Well, when we
7 have all of our people working,
8 nobody on vacation, special details,
9 we have two (2) people per shift
10 on the road.

11 MR. MILCAREK: Okay. So
12 what are you gonna need additional
13gonna need additional deputies
14 or additional cars?

15 CLYDE SAILOR: We're gonna
16 need both. For each deputy we hire
17 or each county police officer in
18 this case that's coming, for each
19 officer we'll need an automobile
20 and a full line of equipment.

21 MR. MILCAREK: And how many

1 do you anticipate that would be?

2 CLYDE SAILOR: Well, at least
3 six (6) to seven (7) if we're gonna
4 put someone down there on site
5 which they're proposed putting us
6 an office down there. If we're
7 gonna put someone on site twenty-
8 four hours a day, and when you
9 get into your vacations and your
10 special duties, of course it will
11 take six (6) to seven (7) officers.

12 MR. VOWELS: And is it just
13 the Sheriff's Department; there any
14 sub stations or anything around?

15 CLYDE SAILOR: At this time?

16 MR. VOWELS: Yes.

17 CLYDE SAILOR: No, we just
18 have the one office here in Corydon.
19 Of course, we're building a new
20 jail now, but there's no increase
21 in personnel.

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MR. VOWELS: I notice there
is no court on Wednesday afternoon;
is that traditional or what...?

CLYDE SAILOR: It's a tradi-
tion.

MR. VOWELS: I like it very
much.

MR. KLINEMAN: All right.
Anyone else they would ask from
the Sheriff?

From the Sheriff, no, not
the Sheriff. (Unknown)

DAVID ROSS, JR. M.D.: Do
you have any significant racial
minorities in Harrison County?

JUDY HESS: No sir, we don't.

DR. ROSS: Does that mean
you don't have any?

JUDY HESS: Less than one
percent. We have a significant
population in Clark and Floyd County.

1 JUDY HESS: Any other?
2
3 ANN BOCHNOWSKI: I have a
4 question and I'm not -- I'll ask
5 this of all of the developers also,
6 but regarding the river, and the
7 two sites, we saw the sites. Are
8 we gonna be able to see the map of
9 exactly where the Kentucky border
10 comes in on the river? Can these
11 boats actually float from those
12 sites, cruise from those sites;
13 have you looked into that?
14 JUDY HESS: Yes. Some
15 maybe more usually than others...
16 ANN BOCHNOWSKI: Which, in
17 what location do you have, does
18 Indiana have more.....?
19 JUDY HESS: I really could
20 not answer that.
21 MR. KLINEMAN: Yeah, maybe
the developers...

1 ANN BOCHNOWSKI: Yeah, I'm
2 gonna ask everybody. I'll ask the
3 developers too, but I want to
4 hear these....

5 GREG ALBERS: I think some
6 of us handled it on an individual
7 basis. There is enough but it is
8 marginal.

9 ANN BOCHNOWSKI: Okay. I
10 guess they'll have to give us their
11 cruising plans but I wanted to get
12 that out.

13 JUDY HESS: John.

14 JOHN BUSKIRK: We did have
15 some specific discussions with
16 each developer and asked them the
17 same question with their plans and
18 with the amount of room they have,
19 the amount of dredging they're
20 proposing to do and the side of
21 the boats, and as I said, it's a

1 bit tight, but we did not see any
2 problems with it.

3 JUDY HESS: Other questions?

4 GREG ALBERS: I just have a
5 quick comment I'd like to make,
6 while I've got the opportunity,
7 I'd like to thank the citizens of
8 Harrison County that participated
9 in this, the Evaluation Team,
10 the Task Force. I think if there's
11 been a difference between what you
12 see here and what you've seen in
13 other places it's been because we
14 have had such citizen involvement
15 in it. And I just want to
16 publicly thank them.

17 MR. THAR: A quick follow-up
18 on Dr. Ross's questions.

19 JUDY HESS: Sure.

20 MR. THAR: Notwithstanding
21 the fact that minorities might be

1 less than one percent and you want
2 a hire here, buy here type program
3 which is great for your county,
4 there are certain goals that would
5 have to be met. The County would
6 have to pay the meetings of goals,
7 prepared to that with regard to
8 minority business, women business
9 and otherwise?

10 JUDY HESS: Yes. That is not
11 a problem. One thing I want to
12 point out we of course do prior-
13 tize purchasing and hiring locally
14 in Harrison County, but as you
15 noticed on the video and in the
16 presentation, any employer of size
17 in Harrison County hires in the
18 region. We have also worked with
19 the minority enterprise development
20 group for the seven counties and
21 the southern Indiana small business

1 development center. They are on
2 alert and working to meet those
3 goals that are in the law, and are
4 working with us in making sure
5 that that happens. We very much
6 want the minority and women busi-
7 nesses that are going to be con-
8 sidered to at a minimum be in
9 this region. We are very keyed on
10 that and as I said the minority
11 Enterprise Development Center who
12 works in the seven counties here,
13 tells us where we meet those goals.

14 John.

15 JOHN BUSKIRK: I just wanted
16 to mention that that will be a
17 specific part of the development
18 agreement also, that the developer
19 will embrace the statutory goals
20 for both minority and women on
21 business and opportunity.

1 MR. KLINEMAN: Anything
2 further?

3 Well, we thank you again
4 for your presentation and of the
5 information that we've been able
6 to gather from you and thank you
7 again for your hospitality. And
8 we'll now take a fifteen minute
9 break. We'll be back about ten
10 after 11:00.

11
12 (RECESS)

13
14 MR. KLINEMAN: Could we
15 settle down. If you would start
16 we'll recognize Harrison County
17 Gaming Company, LLC. Could we
18 have it quiet please.

19 Good morning.

20 BOB STURGES: Good morning.
21 Chairman. Chairman Klineman,

1 Members of the Commission, and
2 Staff. My name is Bob Sturges,
3 I'm President of Carnival Casinos.
4 Thank you for giving our team the
5 opportunity to appear before you
6 this morning, describe our proposed
7 project for Harrison County, a
8 project we are all extremely enthu-
9 siastic about. In a former life,
10 about twenty years ago as a Prose-
11 cutor in the New Jersey Attorney
12 General's Office, I used to love
13 the advantage of speaking last to
14 the jury, having that final word.
15 In this process we don't have that
16 advantage but we think and we hope
17 that what we have to say to you
18 here today will nonetheless have a
19 lasting impression because we be-
20 lieve that we have something ex-
21 citing and important to say.

1 You'll be hearing from four
2 companies over the next two days.
3 They're all certainly competent to
4 run a riverboat in Harrison County.
5 The question is of course for the
6 Commission to determine who is the
7 best applicant for Harrison County.
8 We stand before you today ready to
9 be carefully evaluated and judged.
10 Our application is, uh, the appli-
11 cant company is Harrison County
12 Gaming which is comprised of three
13 entities: Carnival Hotels and
14 Casinos which has a majority inter-
15 ests; Mount Albany Gaming which
16 owns thirty percent which is owned
17 by the Johnston family represented
18 here today by the President John
19 Johnston; and twenty percent owned
20 by Hoosier Gaming comprised exclu-
21 sively by Indiana residents.

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These are the individuals you'll be hearing from today during our sixty-minute presentation or maybe sixty-three minute presentation, hopefully sixty-minute presentation. And the only part of the large group of individuals who have been working so hard to make our casino jubilee project a reality.

This phrase "Carnival Delivers" captures in two words the essence of one of our most important messages here today. Not only is this phrase literally true since Carnival delivers millions of cruise ship passengers annually, millions of airline passengers annually on Carnival Airlines, and delivers hotel services to nearly six million hotel guests annually, but

1 more importantly we deliver on our
2 promises. And as we all know in
3 life there are talkers and there
4 are doers. We pride ourselves as
5 a organization, a gaming organiza-
6 tion of doers. This is a list of
7 unique benefits which a Carnival
8 project would deliver to Indiana.
9 And this is what our team of pre-
10 senters will be discussing with
11 you during the presentation this
12 morning.

13 We'd like to begin with an
14 introduction to what we call:
15 The Carnival Family of Companies.

16 (VIDEO PRESENTATION)

17 Over twenty-five years ago
18 a company was born that created a
19 new type of vacation experience,
20 an affordable vacation at sea, well
21 within the reach of millions of

1 people. That company is Carnival.
2 And over time it has become the
3 most popular cruise line in the
4 world. And indeed the largest
5 cruise company on the planet.
6 At about the same time Carnival
7 was born, the Continental Companies
8 was founded to develop and operate
9 hotel and resort properties. The
10 two companies joined forces and
11 today Carnival Hotels and Casinos
12 is one of the largest management
13 companies in the country, with over
14 2.5 million dollars worth of assets
15 under management and development.
16 Carnival Hotels and Casinos is an
17 international hospitality and enter-
18 tainment company, formed to bring
19 the Carnival formula for success
20 and profits into the management
21 and development of resort gaming

properties.

Carnival's family of companies starts with Grand Carnival Cruise Line that hosted over one billion passengers last year on its fun ship fleet. Holland America is a five-star classy cruise line whose name has been associated with quality around the world. Seaboard Cruise Line, the best of the best, among the most luxurious anywhere in the world. And Windstar, a cruising adventure that is truly unique, caters to an emerging market of upscale cruisers who desire luxury without formality.

Carnival Airlines brings travel values each year to millions from California to the Caribbean. Our fleet of twenty-five (25) modern

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jets includes 727's, 737's and
air bus three hundred air crafts.
Westours is the largest, most
experienced and the most success-
ful cruise tour company, offering
vacations to Alaska and the Canadian
Yukon. By combining our fleet of
cruise ships with Westmark Hotels
and Inns and Greyline seventeen
Motor Coach rail and marine divi-
sions. Decades of developing new
assets on land and sea have given
us a tremendous amount of experience
in marketing, building, and opera-
ting casino properties. We know
the gaming and resort customer,
how to satisfy them, and as a re-
sult how to be profitable. Today,
Carnival Hotels and Casinos manages
hotels with more than 17,000 guest
rooms throughout the Americas,

1 serving over five million guests
2 a year, including full service
3 hotels, all suite hotels, five-
4 star resort properties, vacation
5 resorts, limited service facilities,
6 conference centers and casinos.
7 There is currently a riverboat opera-
8 tion in Louisiana and new casino
9 complexes in Canada and Massachusetts
10 will soon come on line. Because
11 of our diversity, our knowledge
12 and hands on experience in so many
13 of the travel facets and leisure
14 industry, we bring a broad team
15 of experts into everything we do.
16 Cross marketing, volume purchasing,
17 and increased financial strength
18 come from these capabilities. Our
19 successful associations with the
20 top hotel and resort companies in
21 the world showcase our strengths.

1 Carnival's track record in the
2 casino business is impressive both
3 at sea and on land. Relationships
4 with international governments
5 reinforce the fact that Carnival
6 is a name to be trusted. A company
7 that values integrity as much as
8 it does in special franchise on
9 creating a fun, family oriented
10 and leisure environment. Here
11 you'll find tighter controls,
12 employee training unsurpassed in
13 the industry and stringent finan-
14 cial security and operational con-
15 trol. It's an approach that is
16 not Las Vegas or Atlantic City;
17 it is an approach that is Carnival's
18 and Carnival's alone. The way we
19 do business, Carnival is your
20 kind of fun.

21 (END OF VIDEO PRESENTATION)

1 And now it's my pleasure to
2 introduce the Chairman of Carnival
3 Hotels and Casinos, a man who has
4 been a director of Carnival Corpora-
5 tion from the day the Company went
6 public, almost nine years ago, a
7 man with over thirty (3) years of
8 experience in the travel and leisure
9 industry. It is safe to say that
10 there is no business leader in
11 Miama, which is our home, who is
12 more committed to the betterment
13 of our community. The most recent
14 example is his chairmanship of the
15 performing arts foundation which
16 is currently developing a two
17 hundred million dollar art center
18 in Miami. He has been active for
19 forty (40) years in Big Brothers
20 Big Sisters and served on the nation-
21 al board and in 1994 he was named

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South Florida's Tourism Professional
of the Year. These are just a
few examples of his many profes-
sional and civic accomplishments.
All of us at Carnival Hotels and
Casinos are proud to follow the
lead of our Chairman and to live
on a day-to-day basis the values
and priorities he has established.

SHERWOOD WEISER: Thank you,
Bob.

Good morning ladies and
gentlemen.

In an experienced interna-
tional hospitality and entertain-
ment company, we're prepared to
invest our resources and experience
in a world of business, tourism,
hospitality and gaming in Harrison
County in order to develop an out-
standing entertainment casino re-

1 sort in Indiana. I think relation-
2 ships are extremely important to
3 our company because much of Carnival
4 Hotels and Casinos success has been
5 achieved because of our ability to
6 develop long-term relationships,
7 withkey partners within the industry
8 and relationships that have lasted
9 for more than twenty-five years.
10 One of these partners, Carnival
11 Corporation holds a position in
12 travel and tourism that is unmatched
13 in the industry. Carnival Hotels
14 and Casinos is one of the country's
15 largest hotel and casino management
16 firms that enjoys the solid partner-
17 ship of the Carnival Corporation
18 built on many years of trust and
19 integrity, and together today we
20 enjoy one of the most successful
21 track records in the history of our

1 industry. Let me say to you that
2 the strength of our company lies
3 in its foundation. When my partner
4 and I founded the Continental
5 Companies in 1970, to manage and
6 develop hotel resort properties,
7 it was an experience for us and
8 the beginning of a career. In the
9 mid-1980's I was pleased to join
10 the board of directors of Carnival
11 Cruise Lines when Carnival became
12 a public company, and today that
13 company is over eight billion
14 dollars in the marketplace.
15 Continental and Carnival joined
16 together in 1994 to form Carnival
17 Hotels and Casinos and today our
18 company offers all of the resources
19 of a major international tourism
20 company, including special market-
21 ing, management arrangements with

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our cruise ship companies, our
airline and the financial resources
and reputation necessary where
development can grow. Carnival
Hotels and Casinos is so much more
than just a gaming company. With
approximately 2.5 billion dollars
in assets under our management and
under development and with annual
revenues today in excess of nine
hundred million dollars and with
more than twenty thousand employees
worldwide, we manage a diverse
portfolio of properties including
luxury hotels, all suite hotels,
sophisticated resort, limited ser-
vice facilities, conference centers,
and, yes, casinos. In addition,
we serve today as consultants for
thirteen of Carnival Ship Board
Casinos and operate five land based

1 casinos and riverboats. Lucaya
2 Beach Resort and Casino, the
3 Condato Beach Hotel and Casino,
4 LaRose Anautica, the Casino Rouge,
5 and the yet to be opened this
6 summer, Casino Rauma Resort just
7 north of Toronto. We're extremely
8 proud of the fact that the profes-
9 sionals make up our gaming division,
10 they come from a long hard start
11 of the business, and they bring
12 with them a level of integrity and
13 respect to our gaming operations
14 that's unparalleled in the industry.
15 Led by Bob Sturges, former director
16 of gaming enforcement for the
17 state of New Jersey, who brings
18 with him an outstanding knowledge
19 of the gaming business. We also
20 act as gaming commissions to several
21 foreign governments, as well as

1 native American and first nation
2 organization who would look to our
3 company for our expertise in res-
4 ponsible and regulated gaming. I
5 think that a large part of the
6 success if you will and integrity
7 of the Carnival organization has
8 been based on a solid foundation
9 of core values that include a strong
10 commitment to the people and the
11 communities that we serve. Mick Ayers
12 and I do agree that most important
13 investments our company can make
14 are those that are made in our
15 employees and in the local communi-
16 ties that we serve, and as a re-
17 sult the Carnival family has donated
18 more than thirteen million dollars
19 to civic and charitable organiza-
20 tions within the past two years.
21 I dare to say that these donations

1 have helped the arts, cultural,
2 educational and charitable efforts
3 in our home base of Miami and in
4 the cities and counties all across
5 this country in locations where
6 our hotels and casinos or cruise
7 ships are based. Today the
8 Carnival family of companies com-
9 prises one of the largest, most
10 successful organizations of the
11 travel industry. From cruise ships
12 to tour companies to airline, rail
13 carriers and hotel and casino opera-
14 tion, Carnival is known throughout
15 the world as a leader in travel
16 and entertainment. We are genuinely
17 excited about this opportunity to
18 bring all of our resources to
19 bear upon this project, and by
20 combining our strengths in both
21 gaming and the hospitality industries,

1 we believe that Carnival Hotels
2 and Casinos offers to Harrison
3 County the best of all worlds.
4 Carnival's strength comes from the
5 marketing of our project and our
6 products to the heartland of
7 America. And what all of this
8 finally comes down to is the way
9 we market and what we deliver to
10 our customers, it's the Carnival
11 style of fun.

12 (VIDEO PRESENTATION)
13

14 Before Carnival jump-started
15 the modern era of vacations at sea,
16 cruises were thought to be reserved
17 for the wealthy, a way people could
18 travel to Europe without having
19 to fly. Stuffy, expensive, elitest.
20 Carnival changed all of that.
21 What makes Carnival's fun ships

1 the most popular in the world?

2 "IN the morning, in the evening,
3 ain't we got fun. Not much money,
4 oh, but honey, ain't we got fun,
5 the food is great here, there's
6 never a bill, we'll stay up late,
7 dear, it's such a thrill. Sunny
8 weather, all together, we've got
9 the fun."

10 Fun, that's what makes
11 Carnival's fun ships the most popu-
12 lar cruise ships in the world.
13 Carnival created the fun ships and
14 built a brand associated with fun,
15 entertainment, letting yourself
16 go, as well as value.

17 "I'd skip Vegas and come here
18 if I had my choice. I mean I
19 have a ball. I have a ball."

20 Carnival's brand of fun
21 derives from a product that caters

1 to a wholesome image, one that
2 has reached every market in the
3 country. Magazines, in newspapers,
4 on television.

5 "We are recognized for what
6 I believe that this ship had an
7 atmosphere different than the com-
8 petitors." People are staying up
9 later at night, people are having
10 a better time, we are attracting
11 a younger crowd, and crew members
12 and bartenders started coining the
13 phrase "heartship" and I believe
14 Bob Sturges from the crew, picked
15 it up and this is what happened
16 in the product that was built was
17 remarkable, and recognize what has
18 happened and to"

19 Carnival's approach to the
20 gaming industry builds on our ap-
21 proach to fun. Fun is big, color-

1 ful, festive; that's how Carnival
2 builds cruise ships. That's how
3 we build riverboats.

4 "This casino makes you feel
5 that everyone here is your friend,
6 that you've known them, that they're
7 not complete strangers. If you
8 need anything they're right there.
9 It's just, it's just like you've
10 become a part of a family while
11 you're here."

12 Carnival and fun, a concept
13 that we are proud to call our own.

14 (END OF VIDEO PRESENTATION)

15
16 BOB STURGES: This is also
17 the concept of our Indiana project
18 which we are calling: Casino Jubilee,
19 named after one of our finest cruise
20 ships, because we intent that our
21 Harrison County project will mirror

1 the value, the style, and most
2 importantly the entertainment ex-
3 perience for our guests that has
4 made Carnival so successful. In
5 designing our project we wanted
6 an exterior that would blend in
7 with the fabric of the community
8 and the site. The exterior is
9 therefore understated and tradi-
10 tional. First and foremost in
11 designing this project we wanted
12 to provide as many entertainment
13 options as possible. When we en-
14 vision our project with a casino,
15 we don't just look at slot machines
16 and table games, we look at all
17 the amenities. And they aren't
18 just after thoughts. They're an
19 integral part of the product that
20 we want to deliver. This is why
21 we have proposed a five thousand

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seat amphitheatre which is depicted in the lefthand corner at the top of this rendering. As well as an eight hundred seat showroom. Later on we'll talk about a dramatic step we have taken to ensure that the entertainment at the Casino Jubilee will always be nothing short of first class. We've designed a five-hundred-room resort as shown here in the rendering, with two-hundred rooms in the first phase and every room will have a view of the Ohio River. This hotel will not just be a bedroom for the Casino; it will be a destination resort with a fully enclosed pool, spa and exercise room, tennis, marina, and expansive meeting spaces for business or social functions. We have also

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planned an eighty-five thousand square foot dining and entertainment pavilion complete with a veranda overlooking our marina and the Ohio River, a two-hundred and fifty seat per bed, a hundred and fifty seat fine dining restaurant and casual dining in our Winner's Circle Cafe. We have also planned for a coffee house, lounges and five thousand square feet of festive retail, all in our entertainment pavilion. Our guests will have the option of boarding our riverboat from an enclosed walkway directly from the entertainment pavilion, or in warmer weather after a stroll along the riverside board walk they can enter the riverboat from that side as well. Our one hundred and fifty acre site is

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nothing short of spectacular from every perspective. We will enjoy outstanding access at the Intersections of State Road 111 and 211, less than fifteen minutes from the Sherman Minton Bridge. We will be able to offer our guests four thousand on-site parking spaces which always is a clear preference to parking garages. We have reserved thirty acres on the southern portion for future development. The interior design will reflect the festive and relaxed atmosphere that is characteristic of all Carnival products. In the surrendering of the entertainment and dining pavilion we see our Jubilee Java Coffeehouse or Winner's Circle Cafe and an open circulation area where our guests will interact with mims and jugglers and magicians with music - live music -

1 being provided seven days a week,
2 all creating a festive atmosphere.
3 This will definitely be a fun
4 place to come and visit. Our
5 casino will feature a three deck
6 atrium with a dramatic forty-foot
7 centerpiece, much like our Baton
8 Rouge Riverboat. The coast guard
9 approvals were a challenge, but
10 our Carnival team helped us design
11 and build a state of the art smoke
12 extraction system which met all
13 coast guard requirements. And now
14 the effect is available for Indiana
15 customers because we plan to design
16 the same kind of atrium and build
17 the same kind of atrium which will
18 give our customers the feeling of
19 spaciousness and comfort which
20 only an atrium can create. Our
21 ceiling heights will average sixteen

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feet and our starlight ceiling panels will further establish an airy and comfortable environment. To further score our commitment to our guests and their comfort we have spread our twenty-three hundred gaming positions over fifty thousand square feet of gaming space. We have fifty table games and two thousand slots, giving us a very comfortable ratio of almost twenty-two square feet per gaming position. In keeping with the Carnival philosophy we have dedicated space on the riverboat for entertainment and a lounge area, in order to fully carry out our commitment to maximixe the entertainment options available at all times, even when our guests are on the riverboat. We intent to

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operate a temporary vessel at the permanent dock on the northern end of the site, while our permanent vessel is constructed on site in the thirty-acre quadrant that is reserved for future development. As you can see, our site uniquely lends itself to this strategy since we have almost thirty-five hundred feet of river frontage. We expect that our temporary vessel can be in operation within four months of receiving our Corps permits. Our permit vessel should be available within eight (8) months of Corps permits and all facilities complete within twelve months. As we all know, the success of any project is dependent upon our ability to sell it. And if there is one thing that the Carnival organiza-

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tion is well known for, it's our ability to sell, market and promote. The senior vice president for sales and marketing of Carnival Hotels and Casinos is a twenty-five year veteran to the travel and leisure industry. He's been with the Carnival organization for six years. His name is George Brennan

GEORGE BRENNAN: Carnival is the most popular cruise line in the world. You've heard it many times but it's more than just an advertising slogan. The Carnival name is in fact the most recognized cruise/land name in the world. And it's success was achieved by appealing to the broadest possible constituents. Middle income America. These are precisely the type of customers that a success-

1 ful casino here in southern Indiana
2 will have to appeal to. Over the
3 next two days, you will certainly
4 hear and perhaps see, a number of
5 large data bases. We'll have our
6 to point to as well.
7 Carnival company carries over a
8 million cruise passengers a year
9 and over two million airline pas-
10 sengers per year, but what do they
11 really mean to a casino that is
12 located in southern Indiana.
13 Carnival's difference is a number
14 of those customers live right here
15 in the area. As you can see, over
16 a hundred thousand Indiana past
17 cruisers and fifty-six thousand
18 Kentucky past cruisers live right
19 here in the area. Ninety-eight
20 percent with a favorable customer
21 rating. When you consider multiple

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visits, as many of the projections must, these customers could account for up to twenty percent of the projections that we'll present. Take a look at what the Indianapolis Star recently had to say: The world's largest cruise line draws sixty percent of all first time cruisers. Last year it carried 1.2 million passengers and earned a profit of four hundred and fifty-one million dollars. Such success is no accident. Carnival is after all the line that cultivated the mass market appeal as carefully as a gardner cultivates orchids. That same successful approach will work with Casino Jubilee. We have a thirty-eight billion dollar marketing effort, and in the first year in order to launch this casino

1 resort we have dedicated fourteen
2 million dollars to visible media
3 and sales promotion. A fully in-
4 tegrated launch that covers all
5 aspects of media throughout a wide
6 region, plus direct marketing pro-
7 grams that recognize repeat customers.
8 It was exactly this type of market-
9 ing effort that produced success
10 in Baton Rouge and captured sixty
11 percent of the market while we
12 invested less than a third of what
13 our competitor did, and along the
14 way we contributed half a million
15 dollars to charity and civic enti-
16 ties and spent fifteen million in
17 purchases locally. We'll bring
18 that same level of expertise in a
19 parallel effect to the resort to
20 this developed Casino Rouge. We
21 are after all one of the largest

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management companies in north America. There are times we say with fun that Carnival is the company that took a product that had been reserved for wealthy newly-weds or nearly-deads and brought it to millions. But after all that's exactly what we are talking about doing to make Casino Jubilee a success.

An issue that doesn't get enough attention when discussions of riverboat are taking place is the fact that a safe and secure vessel has to be professionally and efficiently built. I can safely say that no leisure company in the world has successfully built more vessels, more boats, more ships. Over the past six years Carnival has developed and brought

1 into service eleven (11) new cruise
2 ships, representing an expenditure
3 in excess of three billion dollars
4 with another two billion dollars
5 of new ship construction planned
6 for the next five years, as well
7 as developing and delivering our
8 highly successful Casino Rouge
9 Riverboat in December of 1994.
10 In 1994 and 1995, the Carnival organi-
11 zation built two (2) three hundred
12 million dollar cruise ships side
13 by side. Delivered both ships on
14 time and on budget. And this fall
15 Carnival will take delivery of the
16 Carnival Destiny which will be
17 the world's largest cruise ship.
18 One hundred thousand tons. Cost
19 of four hundred million dollars.
20 With a capacity of three thousand
21 passengers. Heading off our Casino

1 Jubilee Riverboat construction will
2 be Carnival Technical Services.
3 The same Carnival division which
4 supervises all ship construction.
5 And with us today is Steve Payne,
6 senior naval architect of Carnival
7 Technical Services. Our contractor
8 will be Chicago Bridge and Iron,
9 a company with a great deal of ex-
10 perience in building riverboats
11 and especially experiences in build-
12 ing riverboats on site. We have
13 listed as team members two Indiana
14 union organizations. Unlike other
15 applicants we have planned to build
16 our vessel on site for months, and
17 we have reflected that in our sub-
18 mission to you. Although there
19 may be some eleventh hour converse
20 to this approach among the other
21 applicants we take pride in the

1 fact that we thought of this idea
2 as a demonstration of our commit-
3 ment to the State of Indiana and
4 what it will mean in additional
5 benefits to the Indiana economy.
6 We'd like to show you some additional
7 information about Chicago Bridge
8 and Iron and about our plans to
9 construct our vessel on site.

10 (VIDEO PRESENTATION)
11

12 Chicago Bridge and Iron is
13 a company that's been around for
14 over a hundred years, based here
15 in the midwest, but we have opera-
16 tions throughout the world. Basi-
17 cally you can name any country and
18 we've been there at some point in
19 time in our industry. CBI's marine
20 experience dates back to 1918 when
21 we started a barge yard here in

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Illinois. Our rail experience got rolling back in the war days when we built a hundred and fifty ships in a three year period and since then we've done another fifty marine structures throughout the world. We've worked on projects in excess of a billion dollars. We take pride in every one of our projects because we put the CBI name on it, we want a first rate product that's delivered within budget and on time. The primary economic benefit that Harrison County is gonna see out of the project is the creation of a hundred and fifty union jobs with the construction of the riverboat, with an annual payroll of eight million dollars.

We're the Boilermakers of Local

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374 and International Brotherhood of Boilermakers, believe that the Carnival project that's been proposed in Harrison County, Indiana, provides the greatest economic impact not only to the Boilermakers of Local 374 but to the local community and the State of Indiana. It will generate more jobs, will increase the tax base and provide a better life for the working people in Indiana and in particular Harrison County.

The quality that the Local Boilermakers of Local 374 produce is unmatched by anybody. I mean we're -- our common arc welders are tested. These men come out and they do quality work and they're gonna take a lot of pride in this project because it's gonna be built

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locally, so every time they or any of their friends step foot on that boat they know it was built by them. And that's all we have to sell is our skills. And quality is number one with the Boilermakers.

CBI is a can do company and we've brought projects in on time all over the world and time and time again. You can just ask the people of Elgin, Illinois.

The thing that we're so proud of is that the idea started here, the construction took place here, it's all part of Elgin, Illinois, and we watched it happen and that makes all of us feel very good.

It has been a first class development from day one.

I'm a former Navy man and I had never seen a boat launched side-

1 ways and this was exciting. They
2 had people all over downtown atop
3 rooftops and hillsides and the
4 benefits for our community from
5 day one have been very significant.

6 Carnival knows how to bring
7 people on their boat. We know how
8 to build them.

9 All four Harrison County
10 applicants can legitimately claim
11 tremendous benefits to the Indiana
12 economy as a result of their pro-
13 jects. What we are proposing will
14 result in an additional forty-five
15 million dollars of benefits to the
16 Indiana economy above and beyond
17 what any other project can claim.
18 This on-site commitment will result
19 in more than a thousand additional
20 direct and indirect jobs for Hoosiers.
21 It will result in millions of addi-

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tional dollars to Indiana businesses and it will also give us greater control over the development of the riverboat. We can do all this because of the tremendous site that we have, because of the extraordinary expertise for the Carnival organization and because we are completely satisfied that we have selected a general contractor that is more than capable of carrying out this mission.

I'd like to ask Bob Trinkle, a lifelong resident of southern Indiana who has been working with us on this project for more than two years, to talk further about other commitments to Indiana that the Casino Jubilee project is prepared to make.

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ROBERT TRINKLE: Good Morning.

I'm proud to be able to tell you about our proposal for the Harrison County Civic Foundation. In 1913 my great-great-great grandfather Dennis Pennington, laid the foundation and then built Indiana's first State Capitol here in Corydon. It was built for a staggering three thousand dollars. Casino Jubilee will put that same sum, three thousand dollars, into the Harrison County Civic Foundation every six hours, twenty-four hours a day, three hundred and sixty-five days a year. The first year we'll contribute five million dollars upon issuance of a certificate of suitability. That's thirty-two million dollars over the first five years. These percentages show

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how we arrived at that thirty-two million dollars. Our representative on the foundation will strongly support these projects that have been developed over the last two years by the Harrison County Task Force. In support of the demonstration of commitment to the State of Indiana and this area, we have developed a program showcasing Indiana artists. This concept is unlike any proposal ever made to the Indiana Gaming Commission. We will offer at our amphitheatre something totally new; a legends concert theory featuring stars like Alabama and Reba McIntyre. More importantly, we will produce a Legends Broadway series featuring for example the music of Rogers and Hammerstein. These productions

1 will be staffed technically and
2 artistically by students and faculty
3 from all of Indiana's Universities
4 and Colleges as well as high school
5 interns from all over the State.
6 Two of our guests here today are
7 Dr. Lewis Hackleman from Indiana
8 State University's Theatre Depart-
9 ment and Professors John Finnigan
10 and Susan VanDyke from Indiana
11 University Southeast Theatre. We
12 have detailed our plans to the
13 Indiana Theatre Association and
14 will use them extensively for re-
15 cruitment. In talks I had with
16 the Indiana Arts Commission we
17 discovered a unique niche to fill.
18 So, again, we will reach out to all
19 of the visual artists in Indiana
20 and make our boardwalk available
21 for exhibitions featuring Indiana
sculptors, potters, musicians and

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many other artists. Our theatre staff will produce Saturday morning children's theatre and workshops, free to children in the region, and one other thing, and this is very important; I have worked with Carnival for over two years and you can count on these projects happening. They deliver on their promises. Opportunities like this are a dream come true for Indiana performing artists, and you can take it to the bank, Carnival will deliver on this project. It's called the integrity factor. Now, I'd like to introduce to you our entertainment consultant, a major player in the entertainment industry who has a unique relationship to Indiana.

(VIDEO PRESENTATION)

1 VIDEO: "REGIS PHILBIN,
2 ENTERTAINMENT CONSULTANT"

3
4 Hi everybody, I'm Regis Philbin.

5 You probably know me from Live
6 with Regis and Kathie Lee. But
7 my sidekick and I are also known
8 for our association with Carnival.
9 That's why I'm so proud to be
10 named The Entertainment Consultant
11 for Casino Jubilee. You know,
12 Carnival is one of the most exper-
13 ienced entertainment companies any-
14 where in the world, with everything
15 from musical reviews and concerts
16 to professional sports, all
17 As a Notre Dame Alum, I know and
18 love Indiana. I believe that
19 Carnival will bring the right type
20 of entertainment here.

21 Casino Jubilee is a concept

1 that is perfect for Indiana. It's
2 not just a haven for elitest de-
3 signed to appeal to high rollers
4 who jet in and jet out; it's not
5 only for a select few who can af-
6 ford a luxury resort, although we
7 will welcome them with open arms,
8 it's being designed just as Carnival
9 has built its cruise business all
10 of these years; a product with
11 value and appeal to what the great
12 majority of Americans want and can
13 afford. You know, it fits the
14 Indiana landscape; it's compatable
15 with the American lands
16 We at Carnival have always said:
17 "Create entertainment and they will
18 come." And boy have they. We've
19 been entertaining audiences now
20 for over twenty-five years three
21 hundred and sixty-five days a year.

1 We know how to make people have
2 fun and that's why they keep coming
3 back year after year. You see,
4 we're not just giving Harrison
5 County a casino resort, we're
6 creating a leisure and entertain-
7 ment destination where people will
8 want to go and a place Indiana
9 residents will want to visit,
10 often, and bring their friends.
11 A fully integrated entertainment
12 complex with an eight-hundred
13 seat theatre that can host local,
14 regional theatrical performances.
15 It can even be used for meetings
16 and conferences. There will be a
17 marina with permanent slips and
18 strips for visitors. A beautiful
19 boardwalk and an amphitheatre that
20 will host world class entertainment.
21 We'll put on marvelous shows and

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concerts, acts that people of
Indiana and the visitors will want
to see. We know how to get them
there and how to make them come
back. Time after time after time.
So at Carnival we're excited about
bringing our brand of fun and enter-
tainment to Harrison County, and
I can't wait to get there myself,
and maybe I could talk to my buddy
Kathie Lee about coming, joining
me, doing a duo. we'll put on a
concert. It will be fun.
Thanks.

(END OF VIDEO PRESENTATION)

BOB STURGES: Regis and Kathie
Lee have been great for the Carnival
organization and we believe they'll
be great for Harrison County too.

As self-serving as this next
phrase sounds, and I suppose there

1 is a self-serving quality to every-
2 thing you're gonna hear over the
3 next two days, but when you look
4 beneath the surface to our core
5 and when you listen to the people
6 who've been speaking and will speak
7 on our behalf, we hope that you'll
8 see that this statement has some
9 real substance behind it. Not
10 only do we care about the economic
11 benefits of our project we also
12 care about the social impacts.
13 Compulsive gambling is an issue
14 you don't hear casino executives
15 talk too much about unless they
16 have to, but we don't believe that
17 this is an issue that should be
18 swept under the carpet. We feel
19 an obligation to help and to be
20 sensitive to that small percentage
21 of people who cannot handle the

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freedom of choosing whether or
not to gamble or not. I have
known Arnie Wexler for over fifteen
years, first as a casino regulator,
I knew him when I was a lawyer and
representing compulsive gamblers
trying to put their lives back to-
gether, and I've known him during
my ten-year association with
Carnival when we seek his advice.
He conducts training seminars for
our casino executives and suggests
ways for our company to make an
extra effort beyond statutory re-
quirements to address problem
gambling. We have already initiated
discussions with LifeSpring Mental
Health Services to provide funding
support for their problem gambling
treatment in Harrison County and
the five counties they serve.

1 Arnie Wexler is a recovering com-
2 pulsive gambler who served for
3 twelve years. When I knew him as
4 a regulator on the New Jersey
5 Council on Compulsive Gambling,
6 including eight years as an executive
7 director. He's a national spokes-
8 person on this issue and he served
9 on the National Council on Compul-
10 sive Gambling for twenty years.

11 (VIDEO PRESENTATION)

12 "ARNIE WEXLER, COMPULSIVE
13 GAMBLING EXPERT"

14
15 I'm Arnie Wexler, of Arnie
16 and Sheila Wexler Associates.
17 We're experts in the field of
18 compulsive gambling. We do educa-
19 tional workshops across the country
20 to make people aware of the signi-
21 ficance of this issue. I have

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worked with Carnival Cruise Lines for more than ten years providing training and consultation. I don't know of any gaming company that's more concerned with their communities or has a better social conscience. Carnival is at the forefront of being this leader in taking a responsible position on these sensitive issues.

(END OF VIDEO PRESENTATION)

CINDY DEMEULES: Good morning. I'm Cindy Demeules, Vice President of Human Resources for Carnival Hotels and Casinos. I would like to address Carnival's experience and commitment to reaching into the community to communicate to Indiana and Harrison County residents the job and vendor opportunities that we will bring to the community. We do this through a series of job fairs, local and

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regional programs, school and organizational meetings, as well as utilizing programs for hiring disabled. We have found through experience that this process allows everyone an opportunity to review their skills and backgrounds against the jobs that we have available in the casino and hospitality industry. Our expertise in this area was evidenced recently by the mass hiring that we did in our Casino Rama in Ontario. We interviewed over forty thousand applicants in a period of four weeks, in a process that allowed each person an opportunity for a personalized interview. Another way in which Carnival is committed to ensuring the economic benefits of Casino Jubilee are open to the

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community, the store and vendor preference program. We have developed a program that has already been successfully implemented in our Baton Rouge and Massachusetts projects which we are able to immediately implement upon receiving the certificate of suitability. This program will not only identify existing local vendors but will also develop small business assistance programs for local companies interested in developing to meet the needs of Casino Jubilee. This brochure is included in your handbook and it outlines some of the goods and services Casino Jubilee will require. We not only hire a world renowned staff, we also provide additional and ongoing training and development. In partner-

1 ship with local resources and
2 institutions such as Ivy Tech we
3 will ensure that our carefully
4 selected team is well trained and
5 eagerly awaiting Casino Jubilee's
6 customers.

7 To speak of our successful
8 record of recruiting and hiring
9 is Lester Porciau, our Vice President
10 of Human Resources for Casino
11 Rouge.

12
13 CASINO ROUGE: A CASE STUDY
14 IN CULTURAL DIVERSITY

15 LESTER PORCIAU: Thank you.
16 Carnival's Hotels and Casinos
17 makes a strong commitment to hire
18 and maintain a work force that
19 reflects the population diversity
20 of the community. It is evidenced
21 by the Casino Rouge project in

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Baton Rouge. The Louisiana River-
boat Commission established that
Casino Rouge should maintain a
work force of eighty percent
Louisiana residents, thirty percent
African-American and fifty-two
women. Because of Carnival's
commitment we were able to hire
and currently maintain ninety-eight
percent Louisiana residents,
fifty-three percent black and
fifty-five percent women.

Secondly, the Gaming Commission
issued goals that riverboat pur-
chase goods and services from
women, minority owned businesses
at a rate of ten percent each.
Since our opening we have developed
a business relationship with six-
teen point seven percent African
Americans and seven percent women.

1 Additionally, Casino Rouge developed
2 a minority advisory committee
3 made up of five successful black
4 business people from the Baton
5 Rouge community. This committee
6 is the only act of its kind in
7 the state. It is chaired by Dr.
8 Leon Tauver, the Vice Chancellor
9 of Administration at Southern
10 University. He has since opening
11 been appointed to our three-member
12 board of directors. In my almost
13 twenty-four years in human resources
14 I have heard others make commit-
15 ments with no intent to achieve
16 goals. Since my first introduction
17 to Woody Weiser and Bob Sturges
18 I have felt an assurance and an
19 intensity that they will do exactly
20 what they commit to do. And they
21 give the employees the necessary

1 tools to make them a reality.

2 Ladies and gentlemen, my community,
3 my family and I have benefited
4 from Carnival's presence. When
5 you select Carnival, Harrison
6 County and all of Indiana will also
7 benefit.

8 Also, today I am pleased to
9 introduce Franklin Breckenridge,
10 Indiana Chapter President of the
11 NAACP. Mr. Breckenridge.

12 FRANKLIN BRECKENRIDGE:

13 Thank you. I'm here today to
14 give the unqualified endorsement
15 of the Indiana **NAACP** to Carnival
16 project. It is my privilege to
17 have served for the past eighteen
18 years as President of the Indiana
19 State NAACP. I also served this
20 year as regional chairman of the
21 NAACP for the seven states of

1 Indiana, Ohio, Illinois, Michigan,
2 Wisconsin, Kentucky and West Virginia
3 on the NAACP National Board of
4 Directors. The overall purpose
5 of the NAACP is to eradicate racial
6 discrimination in the United States.
7 The NAACP believes that racial
8 discrimination cannot and will
9 not be eradicated until African
10 Americans and other minorities
11 become fully integrated into the
12 business institutions and the
13 economy in this country. One of
14 the means by which the NAACP ac-
15 complishes this goal is through
16 our fair share program. Through
17 our fair share agreements we ac-
18 complish our goal in four ways.
19 First, assurance in affirmative
20 action hiring and promotions;
21 assurance of affirmative action

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purchasing of goods and services;
influence in corporate policy
making and governments, and rein-
vestment in the minority community.
The NAACP has entered into a fair
share agreement with the Harrison
County Gaming Company which would
be the first one to be implemented
with a casino anywhere in this
country, if they are awarded the
license for this project. I have
the highest respect for the inte-
grity and character of the Carnival
organization and I personally
assure you they will have entered
this agreement for more than just
a show. Carnival has an outstand-
ing track record of affirmative
action as you've heard promotion
and vendor utilization in their
Casino Rouge operation and the

1 NAACP wishes to congratulate them
2 for their achievements. We whole-
3 heartedly endorse Carnival's ap-
4 plication and request that you
5 grant Carnival a certificate of
6 suitability. By doing so, you will
7 assure that Indiana's minority com-
8 munity will have the opportunity
9 to earn its fair share of river-
10 boat gaming benefits in Indiana.
11 Thank you.

12
13 STEVE SMITH: I'm going to
14 switch gears a little bit. Casino
15 Jubilee site is the best site in
16 Harrison County for three separate
17 reasons: proximity to the market;
18 constructability and permitability.
19 This site poses no significant ob-
20 stacles which could delay permit
21 process. I'm Steve Smith, I'm

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former district counsel for the local Corps of Engineers. I served for fifteen years as an attorney in the district and I focused my private practice on the construction issue. Every developer knows that location is the key to success. This project is no exception. When John Johnston came into the area, long before the referendum, he had his choice of sites at Bridgeport and Mauckport. It was clear to him that Bridgeport took full advantage of the proximity to the market that it serves. Adjacent roadways that exist wetland and the amount of buildable flat land are all factors of constructability and permitability, and they all go to the cost of the basic development. Some of

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sites investigated and rejected by Johnston included those which will be presented to you this week. This site demonstrates constructability as it shows the condition of two upstream sites in January of 1996. The next slide is the condition of the Casino Jubilee site on the very same day, essentially dry. The ability to cruise is another factor in site selection. Along the most upstream property, the proximity of the Kentucky boundary to the Indiana shore, and the location of State Road 111 immediately adjacent to the bank pose a problem. The combination of these factors led Carnival to conclude that you could not safely cruise this location. The next downstream site is low lying and narrow, restricting size

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and flexibility of any project.
Casino Jubilee site on the other
hand encompasses a hundred and
fifty acres of flat, open ground,
and it's not constrained by State
Road 111 or any other visible ob-
struction. This gives Carnival
the unique ability and flexibility
to give you the project which it
promises. It also has a convenient
flood free alternative to State
Road 211. As you know, the dollar
size of a project is not a true
measure of potential for success.
The benefits would result from
having the best site are real,
they are reflected in the construc-
tion costs and their ability to
deliver that which you promised
in a reasonable time frame and
that's a subject that's not lost

1 on this Commission I'm sure. A
2 couple of simple factors illustrate
3 the point. First when you have a
4 lighter, higher and dryer site
5 you're able to develop your site
6 much cheaper. Much more cheap.
7 Also, we have an ability that of
8 on site parking, if we were to
9 have to build a parking garage
10 it would cost an additional ten,
11 thirteen million dollars. These
12 are very tangible benefits which
13 come from having the best site.
14 The site also provides a distinc-
15 tive advantage of permitability,
16 permits you have heard the complexity
17 of the regulatory system for about
18 two years now from just about every
19 applicant. It seems that every
20 applicant, everyone who has received
21 a certificate of suitability has

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been faced with one delay or surprise after another. Carnival knows this site and we will not be surprised. The efforts Carnival has made are summarized in the following slide. But two things need to be mentioned: One, there are no wetlands on the entire one hundred and fifty-acre site; and secondly, we have entered into a contract with Indiana UniversityLaboratory and they are currently underway of the site phase II investigation as approved by the State of Indiana.

Ladies and gentlemen, make no mistake about it, there are certain sites under consideration that pose certain and significant challenges to regulatory approval, the Carnival site does not. No

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one can predict exactly how long the permitting process will take. We know that. An application who -- an applicant who has done his homework though, an applicant like Carnival, can predict there will not be any surprises. Carnival can deliver the site as promised, the project that's promised within a time frame that it promises. I now turn to Jack Rauen who will discuss some financial issues.

JACK RAUEN: Good morning. The core principal employed by Carnival Hotels and Casinos in preparing financial information is to be straightforward and credible. No pie in the sky projections, no financial gimmicks. These are principles that have served us well in Louisiana, Canada and else-

1 where, they're principles that we
2 have employed in developing our
3 operating projections here for
4 Harrison County. We have studied
5 our market. We know it well.
6 Our core market in the first year
7 alone from zero to fifty range,
8 including Louisville, we expect to
9 deliver to our site two point
10 eight million gaming business.
11 Our secondary market, a hundred
12 miles out including Indianapolis
13 and Lawrenceburg. We expect to
14 deliver an additional half a million
15 visits, and our tourist market
16 beyond a hundred miles. We look
17 for an additional three hundred
18 thousand gaming visits, giving us
19 first year visits of three point
20 six million. At an average win
21 per visit of forty-nine dollars

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this translates into a hundred and seventy-six million in adjusted gross receipts in the first year. Now, these revenues won't just fall into our laps. Significant financial outlays will be required. Besides the matters such as bet service, capital improvements, and income taxes, our operating plan provides for sixty million dollars in year one gaming taxes and community incentives. Forty million dollars for payroll for our two thousand employees, and thirty-eight million dollars in marketing costs to provide a value oriented experience for our guests. Credible financial projections, appropriate size facility and capitalization, in our opinion, equate to long term financial stability for this pro-

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ject. Now, much has been said about the size of the various investment proposed for Harrison County. This one is the biggest. This one is the smallest. We've been hearing this for months. In our opinion, there are a number of factors that need to be considered when comparing the applications. Steve Smith just mentioned that some of our competitors will face up to twenty-three million dollars in additional site development costs. Because of the damages to our site we won't. Land is another is another issue. We valued our land at cost; three million dollars. Some of our competitors have elected to use arbitrary market values creating up to a seventeen million dollar difference in land values.

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We could have elected to value our land at market; we didn't. On site boat construction provides forty-five million dollars in additional Indiana benefits above and beyond our competitors. All in all we think there is up to eighty-five million dollars of differences that should be considered when comparing the various Harrison County applications. We have provided information to that effect in your booklet and we ask you to give it your careful consideration.

ROBERT STURGES: Since we'd also like to deliver this presentation on time and on budget, I'd just like to let you know we've got just ten minutes left.

Financing has never been a

1 problem for a Carnival project.
2 Our most recent successes include
3 a hundred and fifty million dollars
4 being raised for our Casino
5 project, we were selected by the
6 Province of Ontario to develop the
7 first casino in the Toronto market,
8 in a very expensive competition,
9 and that casino will be opening
10 up in July of this year. We raised
11 our fifty-one million dollars for
12 the Casino Rouge project and
13 Carnival has raised over three
14 point three billion dollars for
15 shipbuilding over the past six
16 years. Our financing plans for
17 the Casino Jubilee are as follows:
18 Approximately thirty-five million
19 dollars in cash; fifteen million
20 dollars in lease financing; and
21 a hundred and five million dollars
in debt financing. Our friends at

1 Bayer Stearns with whom we have a
2 long history, have advised us
3 that raising a hundred and five
4 million dollars in project debt
5 for this project will be no pro-
6 blem whatsoever. We began our
7 presentation today with this phrase:
8 Carnival Delivers. And with this
9 list of special qualities that we
10 can bring to Indiana. I think we
11 talked about our unique approach
12 to the gaming business which is
13 backed up by the strength of our
14 marketing prowess. We not only
15 know how to put people on boats,
16 we know how to build them. I
17 hope that we've shown you that we
18 are also a company with a social
19 conscience. We talked about our
20 tremendous site that is the least
21 likely to run into problems during

1 this development. We have given
2 you numbers that are a product of
3 sharp pencils and conservatism
4 rather than rose-colored glasses.
5 We told you how this project would
6 be financed, something Carnival
7 has never failed to do for any of
8 its projects. We've also described
9 why we feel that the Carnival
10 family of companies produces and
11 sells your kind of fun. We sin-
12 cerely believe and we hope you
13 agree that you'll find that we're
14 your kind of company too. You
15 heard from our team today about
16 who we are and about what we in-
17 tend to do. Let's hear from some
18 others about how they feel about
19 Carnival and what sets us apart
20 from other companies in their
21 minds and in their hearts.

(VIDEO PRESENTATION)

"CARNIVAL DELIVERS"

Carnival means fun. Carnival means fun and relaxation. Carnival means entertainment. I don't have as much fun at other places as these kind of tours. Carnival to me means games, fun, family get-togethers, dancing and just having a good time. So I'm all for Carnival. You can look around and see the facilities and the people have just talked wonderful about it and they seem to enjoy coming here, they seem to enjoy the people here. I believe that Carnival offers a family environment through their employees, it is just like one big family here. Casino Rouge has been great for Baton Rouge. I think it's done a

1 lot for the City of Baton Rouge
2 as well as the jobs that it's pro-
3 vided for the people in Baton
4 Rouge.

5 When Carnival was selected
6 at the back in October, 1995,
7 there seemed to be jubilation about
8 the ship but in our community as
9 well as the surrounding community,
10 that a recognizable name in the
11 entertainment family field was
12 going to be a partner with this
13 community. So they were very, very
14 excited and very, very appeased
15 and I think a lot of people have
16 gone out of their way to find out
17 what exactly Carnival Hotels and
18 Casino Entertainment Corporation
19 stands for. And, really, when they
20 do their research they find out it
21 stands for goodness and wholesome

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and fun and, you know, leadership
in the business environment.

"I've been to Carnival Resorts
so I have a little bit of back-
ground there so I know they're
always clean, they're first class,
their people are very enthusiastic
about what they do. They make you
feel good about being there, make
you feel good about going back.
They give you everything that you
could possibly want without asking.
We trust Carnival. We know that
this is your business and we know
that you know how to handle this.
And therefore it was very easy for
me as President of the Chamber to
get behind this and say: We are
going to be able to capitalize on
this wonderful thing. Leave the
logistics up to you. We know now

1 how to get the people here, what
2 we have to do is help get the people
3 to stay here, and that's exactly
4 what we intend to do."

5 "As a business man in Harrison
6 County and more specifically in
7 Corydon, Indiana, when I have
8 been to Carnival Entertainment
9 Industries, why I think of someone
10 that I've seen on television's
11 advertising and as far as I know
12 it has a lot of integrity and I
13 think it seems more like a family
14 oriented corporation than some of
15 the others you see advertised, and
16 I know I would enjoy going on
17 that Carnival Cruise Line. I've
18 been on one before but I think
19 that these are more the like family
20 type of entertainment and which I,
21 it would be hopeful that that could

1 match Harrison County and our type
2 of lifestyle here that we've en-
3 joyed if Carnival Entertainment
4 did come to Corydon or Harrison
5 County."

6 "It seems to me that if you're
7 gonna do business with a company
8 that reputation would be an impor-
9 tant factor and I think that
10 Carnival has that reputation from
11 everything you've seen or heard,
12 and family values are big down here
13 in southern Indiana so I think that
14 Carnival and southern Indiana are
15 just gonna mesh real well."

16 Sunny weather, all together,
17 we've got the fun.

18 (END OF VIDEO PRESENTATION)
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1 SHERWOOD WEISER:

2 Ladies and gentlemen, over
3 the next several days you're gonna
4 be inundated with a tremendous
5 amount of information and facts,
6 so I think it's best if I'm going
7 to lead this presentation today
8 would just be to try to leave you
9 with several thoughts about our
10 project and particularly about our
11 company.

12 First of all, we're not a
13 Las Vegas Company and we're not a
14 Nevada Company. That isn't to say
15 that those companies don't do
16 very well in their market, but we
17 bring a different type of culture
18 to gaming and we're just not a
19 casino company; we truly are an
20 entertainment company, we're a
21 tourism company, we're a hotel
 company, and, yes, we're also a

1 gaming company. And we bring
2 that point of view, if you will,
3 to our gaming business.

4 The Carnival brand name is
5 as well known of a name in this
6 country today as coca-cola and I
7 think it's well thought of. And
8 the important part of that is
9 that we take this asset very
10 seriously. We only look to do
11 projects that will enhance that
12 name and will further the Carnival
13 image. And so, although profits
14 are very important to us as they
15 must be, it's not the most single
16 important part of our company.
17 But meeting and delivering our
18 commitments and enhancing the
19 Carnival name, that is extremely
20 important to us.

21 The Casino Jubilee project

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really puts us on the line. It puts the Carnival name on the line. And it puts it on the line in Harrison County. We really cannot afford to fail if we get this project. Many of our customers, many of them come from this area, they come from the heartland of America, and we provide them with a wholesome, well rounded entertainment and resort experience. Having been raised myself in the midwest, I think I know firsthand that the fabric and the very core of values of this region, and I think that we have essential and compatibility with the heartland of America and the Carnival fun experience is one that I think each and every one of us can understand. I think Regis really said it much

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better than I can say it. I've been in this business for some thirty-five years and I think one observation that I'd like to make for you, and I think it's fair for me to make, and that is that you have four capable companies coming to Corydon. You have a real chance, however, to make a choice because they are different companies and they choose and they bring -- you choose and they bring different products to you to choose from.

I think lastly I'd like to leave you with these thoughts: If you think our land, if you think our project, including our amphitheatre and all of the other facilities that you heard about are best for the development, if

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you think that our programs are
right for this area, if you like
our capabilities and you like our
values, if you like what we pre-
sented to our customers as part of
Carnival experience then we are
right for the -- we are the right
company, if you will, for Harrison
County and we're right for Indiana
and we ask you to select us for
that reason. I assure you of one
thing that if we are selected we
will fulfill to the letter every
promise and commitment that we
make to you. You can rely on this.
You can rely on Carnival to deliver
and I tell you we will make you
proud. Thank you very much.

(CONCLUSION OF CARNIVAL
PRESENTATION TO THE COMMITTEE)

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ALAN KLINEMAN: Thank you,
gentlemen.

We are now scheduled to have
a break for lunch before we start
the Q and A part of the final
investigation. So we'll be back
here about fifteen minutes past
1:00.

(LUNCH RECESS)

ALAN KLINEMAN: Good after-
noon, gentlemen and lady. We'll
start with the Q and A. Does
someone like to kick it off? If
not I'll ask a quick question.
We heard some public comment about
the quality of the jobs which would
be created yesterday with the
public comment. And your human
resource people, of course, have

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told us what they are going to do,
but we didn't receive any informa-
tion on the quality of the jobs
vis a vie the salary and benefits
and so forth that you would expect
to have realized at this project.

MR. STURGES: I'll refer
that question to Art Frank, he's
our Senior VP of Gaming Operations
in Miami and prior to coming to
the corporate office Art was the
General Manager of our Casino
Rouge project in Baton Rouge.

ART FRANK: Thank you.
Our compensation will average ap-
proximately twenty-one to twenty-
two thousand dollars per year per
employee; that's without benefits,
that is inclusive of tips. With
benefits you can add another five
to six thousand dollars a year.

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Our benefit package will include a full health plan that will also include dental, vacations, sick time, maternity leave, holiday pay, 401K plan as we have in Baton Rouge. As we have in Baton Rouge, we'll pay in line with industry standards and actually in the State of Louisiana we're actually a little above the average.

MR. KLINEMAN: And what percentage of the twenty-one or two would say is the tip portion of it?

MR. FRANK: I'm not sure the exact number but it's probably in that ten - fifteen percent group. It would be in the ten to fifteen percent range.

MR. KLINEMAN: And would the employees be required to pay any-

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thing on their benefit package?

MR. FRANK: As in Baton Rouge the health plan, I believe, is a fifty/fifty split, that is correct so the company does pay fifty percent of the health package.

MR. KLINEMAN: And the rest of the..

MR. FRANK: Life is free, by the way, life insurance.

MR. KLINEMAN: Okay.

(INAUDIBLE)

MR. KLINEMAN: Questions?

ANN BOCHNOWSKI: You have touched on this a little bit but I would like to know more about what your cruising path would be, how far out from your site and what the Kentucky line is, what your plans in that regard are?

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MR. STURGES: Well, let me start off by saying it certainly would be embarrassing for Carnival if you couldn't cruise, and we had an -- as well as something we don't take lightly is certainly the statute which requires that our site enable us to cruise, we're very cognizant of that. About a year ago our Vice President of Marine Operations, Captain Joe Jamison, visited this particular site to let out a plan to be sure that we were gonna be able to cruise and stay within Indiana waters, and we satisfied ourself of that. I'd like to ask that Steve Smith address the issue in a little more detail and perhaps Captain Joe may want to weigh in with what he found when he did his

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survey of our cruising, our proposed cruise route.

This is Steve Smith.

STEVE SMITH: The issue of cruising has to be, of course, within the location of Indiana and Kentucky boundary. It's closer to the bank in Harrison County than any other site that you all have had under consideration. It's not an easy line to find out since it's out there floating around in the water, but there is information available but it's a very detailed method of doing that. We did at our location through the Cordino group and we've got the maps to show it's about 195 feet outside of our boat and that's the key of, uh, can't really get away and move around.

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We all understand the limitation on cruising that everybody is faced with.

ANN BOCHNOWSKI: When you say 195 feet, do you mean from the shore going this way or going longways?

STEVE SMITH: On the outside of the boat as it sits at the dock loading passengers.

ANN BOCHNOWSKI: Uh-huh.

STEVE SMITH: There is a hundred and -- we'll get the map for you. From the bank, from the existing bank prior to our cut out it's about 116 feet. Excuse me, prior to the cut out. And most of the people, most of the applicants here know that we have to cut out the bank in terms of putting the facility further in-

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land and we have right now about
an 85 foot cut out and so gonna
follow from the bank, from the
bank to the boat and then from the
outside of the boat as exists we
have about 65 to 85 feet then.
So it gives you the ability to
pull away from the bank and then
move, you are cutting out a 1,000
feet upstream and downstream from
our site, not including the marina
as you saw on the drawing.
Captain Joe, do you want to talk
about the cruising pattern?

JOE JAMISON: Yes. How are
you doing today. It is like Bob
said, I come up approximately a
year ago, looking over the site,
having been up and down the Ohio
River at periods of times. I am
basically a fourth generation river
rat. Been involved in the tow boat

1 inland river business but the site
2 as per se is what you say the
3 cruising take the boat to Louisville
4 and back and stuff is not conducive
5 to that in maintaining the Kentucky
6 boundary, but I feel confident in
7 what our plans and what we've,
8 through the help of Steve, have
9 analyzed that we need to do in
10 trying to meet the compliance of
11 the law in cruising. That effec-
12 tively what we're doing right now
13 today in the proposed plans we
14 can do that and do it safely.
15 And that's the important thing
16 that people coming down to that
17 boat, and know regardless of any-
18 thing, you know, we can do the
19 cruising bit on a safe manner.
20

21 MR. KLINEMAN: Captain,
would you identify yourself for the

1 record and would the other people
2 who are going to respond try to
3 identify themselves so we can make
4 a complete record?

5 MR. JAMISON: Yes sir, it's
6 Captain Joe Jamison, Vice President
7 of Marine Operations Casino Rouge.

8 ANN BOCHNOWSKI: Can I follow
9 up on that?

10 MR. KLINEMAN: Yes.

11 ANN BOCHNOWSKI: If for some
12 reason we were able to, or some-
13 how we were able to work things
14 out with Kentucky would you then
15 be interested in cruising much
16 farther? Would that help you?

17 MR. JAMISON: Yes ma'am,
18 that would help. You know, the
19 responsibility of that master up
20 there making that decision to take
21 the boat out on every cruise with

1 that boat load of people and allow-
2 ing his safety when it was going
3 to expand and whether to make
4 that decision or cruise or not,
5 it would help it immensely.

6 THOMAS MILCAREK: I want to
7 clarify that again because I heard
8 a bunch of different numbers.
9 Before you cut back in dredge from
10 the acco real estate dirge of
11 Indiana, that we have no dispute
12 where that is. Do you know where
13 the low water mark is from there?

14 MR. JAMISON: Yes. That's
15 from that -- I mean the low water
16 mark is the boundary. Okay.

17 MR. MILCAREK: Right.

18 MR. JAMISON: We know that
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